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August 30, 2006

Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, N.W.
TW-A325
Washington, D.C. 20554

Re: NECA 2007 Modification of the Average Schedule Universal Service High Cost
Loop Support Formula, CC Docket No. 96-45

Dear Ms. Dortch:

In compliance with the Wireline Competition Bureau's Order, released on December 30, 2004 (DA 04-4070), attached is NECA's 2007 Modification of the Average Schedule Universal Service High Cost Loop Support Formula. This filing contains proposed modifications to the formula used to calculate interstate universal service fund high cost loop expense adjustments for average schedule companies. These average schedule modifications are scheduled to take effect on January 1, 2007 and remain in effect through December 31, 2007.

In accordance with the Commission's rules, this *2007 Modification of Average Schedules* has been filed electronically in the above-referenced docket.

Sincerely,

A handwritten signature in black ink, appearing to read "Richard A. Askoff", is written in a cursive style.

Attachment:

2007 Modification of the Average Schedule Universal Service High Cost Loop Support Formula

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

2007

NECA  MODIFICATION OF
THE AVERAGE SCHEDULE UNIVERSAL SERVICE
HIGH COST LOOP SUPPORT FORMULA

August 30, 2006

NECA
80 South Jefferson Road
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**NECA MODIFICATION OF THE AVERAGE SCHEDULE
UNIVERSAL SERVICE HIGH COST LOOP SUPPORT FORMULA
EFFECTIVE JANUARY 1, 2007**

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**NECA MODIFICATION OF THE AVERAGE SCHEDULE
UNIVERSAL SERVICE HIGH COST LOOP SUPPORT FORMULA
EFFECTIVE JANUARY 1, 2007**

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**NECA MODIFICATION OF THE AVERAGE SCHEDULE
UNIVERSAL SERVICE HIGH COST LOOP SUPPORT FORMULA
EFFECTIVE JANUARY 1, 2007**

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Summary

In this filing, the National Exchange Carrier Association, Inc. (NECA) proposes modifications to the formula used to calculate Universal Service Fund (USF) high cost loop (HCL) expense adjustments for average schedule companies. This formula and associated cost per loop values are intended to govern HCL payments to average schedule companies in the 2007 calendar year.

This filing describes the methods and results of NECA's studies to update the HCL Cost per Loop formula which was adopted by the Commission for use in determining average schedule USF payments in 2006¹. NECA had proposed for 2006 a formula that sought to estimate Expense Adjustments per Loop rather than Costs per Loop². Such formulas in NECA's view more accurately simulate disbursements that similarly-situated cost companies would receive and are therefore more consistent with section 69.606(a) of the Commission's rules³. Recognizing the Commission's preference for the Cost per Loop approach, however, as well as the fact that differences between the two approaches have now diminished substantially, NECA proposes for 2007 the updated Cost per Loop formula described herein. For comparison purposes, NECA also includes in this filing an update to the Expense Adjustment per Loop formula⁴.

¹ Federal-State Joint Board on Universal Service, CC Docket No. 96-45, National Exchange Carrier Association, Inc., 2006 Modification of Average Schedule Universal Service Formulas, *Order*, 21 FCC Rcd 188 (2006) (*January 12, 2006 Order*).

² *See* 2006 NECA Modification of the Average Schedule Universal Service High Cost Loop Support Formula, National Exchange Carrier Association, Inc., CC Docket No. 96-45 (filed Aug. 30, 2005).

³ *See* Federal-State Joint Board on Universal Service, CC Docket No. 96-45, National Exchange Carrier Association, Inc. Proposed 2005 Modification of Average Schedule Formulas, *Petition for Reconsideration* (Jan. 31, 2005).

⁴ *See* Appendix D for a description of the Expense Adjustment Per Loop model

NECA is making this filing on or before September 1 of this year in response to an order of the Bureau issued on December 30, 2004. In prior years, NECA made this filing by October 1 to coincide with NECA's filing of the annual High Cost Loop Data Submission, filed under Part 36.613 of the Commission's rules. In addition, pursuant to the Bureau's order, NECA is including in this filing a disk of the average schedule companies' data used to develop the proposed formulas.

In prior years, NECA included an additional formula in this filing to be used as the basis of Local Switching Support payments by USAC to average schedule companies. As explained in NECA's 2005 Modification of Average Schedules Universal Service Formulas⁵, USAC now files that formula based on a formula and sets of fractions which NECA produces as intermediate results in the development of its local switching access settlement formula, and that NECA includes in its annual Modification of Average Schedules. Components for this year's filing are coming from NECA's 2005 Modification⁶.

⁵ NECA 2005 Modification of Average Schedule Universal Service Formulas, at II-12, n. 10 (Sept. 29, 2004).

⁶ NECA, Inc. 2006 NECA Modification of Average Schedules, WC Docket No.05-347, at VII-16 through VII-33. (Dec. 29, 2005).

A. Background

The proposed average schedule High Cost Loop (HCL) formula change is needed to assure that the formula produces payments to average schedule companies that simulate payments that would be received by representative cost companies, as required by Section 69.606(a) of the Commission's rules.

NECA proposes herein a formula that relates cost per loop data of sample companies to their loops per exchange values (see Exhibit 1). NECA includes cost per loop amounts based on this model for every average schedule study area in its Annual Universal Service Fund Submission of Study Results. The derived cost per loop amounts, when used with the payment algorithm prescribed in Section 36.631 of the Commission's rules, will produce HCL payment levels to individual companies consistent with the Commission's rules.

Annual payments to average schedule companies under the proposed formula will total approximately \$56.1 million payable to 396 average schedule study areas in 2007. These payments reflect the maintenance of the cap on the overall fund size. In comparison, payments in 2006 under the current formula are expected to amount to \$45.3⁷ million to 408 study areas. The proposed payment thus represents an increase of \$10.8 million, or 23.8 %, over current payments.

⁷ These payments are less than the \$49.99 million approved by the Bureau in its *January 12, 2006 Order* primarily because of adjustments to the NACPL made to assure that the fund remains under its cap. These adjustments occur as cost companies updated their data during the past year as permitted by Section 36.612 of the Commission's rules.

It should be noted that while the increases in high cost funding for average schedule companies appear large when expressed as a percentage, the total amount of HCL funding available to these companies continues to be a small portion of the total. This portion is small in part because average schedule companies generally have costs between 115% and 150% of the capped NACPL, and thus receive support compensating for only a minor portion of their loop costs. High cost loop funding for all rural companies in 2007 will amount to \$1,038 million. If the Commission approves the Cost per Loop formula proposed herein, the \$56.1 million in high cost funding made available in 2007 to average schedule companies would represent only 5.4 % of the total high cost fund⁸.

NECA is also including in Appendix D a model that relates the expense adjustment per loop data of sample companies to their loops per exchange values. This model is an update of the one proposed by NECA for use in calculating HCL support in 2006 and is presented here for comparison purposes only. If the EAPL formula presented herein were to be used, payments to average schedule companies in 2007 would total \$57.6 million, payable to 402 average schedule study areas. This would represent an increase of 27.2 % over 2006 payments. The Expense Adjustment per Loop model is displayed in Exhibit D2.

⁸ During each year the capped NACPL adjusts upward because of quarterly data submission by cost companies reducing payments to average schedule companies for all months of the year, compared to payments filed by NECA in its average schedule modification.

B. Procedural Aspects

In preparing proposed formula revisions, NECA receives valuable assistance from the Industry Average Schedule Task Group. This group consists of exchange carrier representatives sponsored by industry associations (*i.e.* the National Telephone Cooperative Association, the Organization for the Promotion and Advancement of Small Telecommunications Companies and the United States Telecom Association). The Task Group meets several times a year during the course of NECA's study, reviews the steps taken in developing the proposed formulas, advises NECA regarding the development of procedures for administration of the formulas, and assists the NECA Board of Directors in evaluating final proposed formulas. Task Group participation assures that average schedule companies are able to participate fully in the development of the average schedule formulas, and also have an opportunity to provide input to NECA regarding the ways in which changes in average schedule company networks can affect settlement formulas.

As it has done in the past for each proposed average schedule modification, NECA will provide a statement to each average schedule company advising it of the impacts of these modifications. This detailed notification includes a brief overview of the new formula as well as the factors that determine changes in a company's support amounts (*i.e.* changes in loop counts, and exchange count data). These detailed, individual notifications assure that average schedule companies become aware of proposed changes in the support formula to enable them to plan accordingly. NECA also provides data based on this formula to USAC for USF administration.

Exhibit 1

Proposed Cost Per Loop Regression Formula for 2007

If number of USF Loops is less than 50,000, and:

If Loops per Exchange is less than 700, then:

$$\text{Cost per Loop} = \$825.111304 - \$ 0.503676 \cdot \text{Loops per Exchange}$$

If Loops per Exchange is greater than or equal to 700 but less than 3,000, then:

$$\text{Cost per Loop} = \$508.759497 - \$0.051745 \cdot \text{Loops per Exchange}$$

If Loops per Exchange is greater than or equal to 3,000 but less than 8,000, then:

$$\text{Cost per Loop} = \$383.160647 - \$0.009878 \cdot \text{Loops per Exchange}$$

If number of USF loops is greater than or equal to 50,000 or if Loops per Exchange is greater than or equal to 8,000, then:

$$\text{Cost per Loop} = \$304.13$$

C. Data Used to Develop the Proposed Formula

This section describes the data that underlie the proposed HCL formula. Data comes from three sources:

1. USF data submitted by the population of Subset 3 study areas settling on the basis of cost.
2. Actual financial accounts and loop data from a sample of average schedule study areas.
3. Access line and exchange count data from the entire population of average schedule study areas.

Subset 3 cost study areas provided the categorized account data that were used to compute cost categorization factors. These data were collected in connection with the 2005 annual USF Data Submission and are available on the diskettes included with that submission.⁹

Account data and loop information were collected from the average schedule study areas sampled in 2004 and 2005. The 2004 sample provided 2003 financial accounts and loop information for 2004. The 2005 sample provided 2004 financial accounts and loop information for 2005. These data were used to determine Universal Service Fund (USF) loop cost values for each company, as described in the next section.

Loop data and access line counts¹⁰ from the sample were used to calculate a loop count value for each sample average schedule company. In the annual collection of data from sample study areas, NECA collects loop information for the categories of residence, single line business, multi-line business, company official lines, off-premise extensions and special access lines. NECA determined the count of USF loops for each sample study area by adding access lines, company official lines and off-premises extensions bridged in the central office.

A loops-per-access line ratio was calculated by dividing sample total loops by sample total access lines. Totals used in this calculation were weighted using sample weights. Sample

⁹ See 2005 NECA Universal Service Fund Submission of 2004 Study Results, National Exchange Carrier Association, Inc. (October 1, 2005).

¹⁰ In response to the FCC's July 19, 2004 Order, NECA adjusted 2004 sample companies access lines and loop counts using a DS1 Channel line count adjustment factor of 0.984, filed in NECA's 2005 Modification of Average Schedules. See National Exchange Carrier Association Petition to Amend Section 69.104 of the Commission's Rules, WC Docket No. 04-259, RM-10603, *Order Granting Petition for Rulemaking, Notice of Proposed Rulemaking, and Order Granting Interim Partial Waiver*, 19 FCC Rcd 13591 (2004).

weights are used to expand the sample to a population estimate. A study area's sample weight is the reciprocal of the probability of it being included in the sample. The sample weight measures the count of units in the population that a member of the sample represents. For example, a study area with a sample weight of three represents three study areas in the average schedule population. An unbiased estimate of the population is achieved by weighting access line data in this manner. This means an estimate developed by this method is expected to neither overestimate nor underestimate the loops-per-access line ratio.

Account and loop data from the sample were projected to December 2005 using account level and access line growth rates developed in NECA's 2005 study and filed in the 2006 NECA Modification of Average Schedules¹¹.

Access line data¹² and exchange counts for the population of average schedule study areas were taken from NECA's settlement system for the month of December 2005 according to the June 2006 view. For the purpose of evaluating the proposed formula for each member of the average schedule population, USF loop counts were calculated for each study area using the loops per access line ratio.

$$USF \text{ Loops} = Access \text{ Lines} \times Loops \text{ per Access Line Ratio}$$

USF loop and exchange counts for each average schedule study area are displayed in Appendix C.

¹¹ See 2006 NECA Modification of Average Schedules, National Exchange Carrier Association, Inc. (Dec. 29, 2005).

¹² December 2005 settlements access lines for the population of average schedule study areas, which includes a count of 5 lines per DS1 channel service arrangement.

D. HCL Cost per Loop formula

This section describes the derivation of the average schedule HCL Cost per Loop formula by:

- computing categorization factors from Subset 3 cost company data;
- determining loop costs of a sample of average schedule study areas using these factors;
- using sample companies' actual loop costs data to derive a statistical regression model.

These steps are explained in the following three subsections.

1. Calculation of Categorization Factors from Subset 3 Cost Companies

Cost companies submit categorized data to NECA pursuant to Section 36.611 of the Commission's rules.¹³ This data was used to compute average USF loop cost categorization factors. Loop cost categorization factors are the cost company fractions of accounts attributed to loop. They were developed from accounts related to Exchange Line Cable and Wire (C&WF) Facilities (Category 1) and Exchange Line Central Office Circuit equipment (Category 4.13).

Loop cost categorization factors were developed for each of NECA's seven geographical regions, to recognize categorization differences in circuit equipment and cable and wire facilities across regions. For example, by computing the ratio of cost company Central

¹³ Data was taken from the USF Data submission filed with the Commission on Oct 1, 2005. *See* 2005 NECA Universal Service Fund Submission of 2004 Study Results, National Exchange Carrier Association, Inc. (Oct. 1, 2005).

Office Equipment (COE) 4.13 investment to total cost company COE investment, NECA developed average categorization factors for Category 4.13 investment.

Exhibit 2 summarizes how these categorization factors were computed from cost company data, and how they were used to allocate average schedule company data. The first column names the Algorithm line corresponding to instructions in Tab 3 of NECA's Universal Service Fund (USF) 2005 Submission of 2004 Study Results¹⁴. Algorithm lines AL3, AL4, AL5 and AL6 are categorization factors defined in the USF submission to apportion unseparated cost accounts to loop. Algorithm lines 13 through 24 are the various cost components that comprise loop cost. Line 25 is the total unseparated loop cost. Line 26 is the cost per loop. Loop cost components are named in the second column in Exhibit 2. The third column is a description of each algorithm line and the last column presents cost categorization formulas used to calculate the value for each company.

Algorithm Lines 23 and 24 in Exhibit 2 use Adjustment Ratios to allocate Total Accumulated Depreciation to C&W Facilities and COE Transmission. This is done to ensure that the amount of reserves assigned to loop is in proportion to the amount of investment assigned to loop. The adjustment ratio is calculated as follows:

$$\text{Adjustment Ratio} = \frac{\text{Proportion Of Reserves Allocated To Loop}}{\text{Proportion Of Investment Allocated To Loop}}$$

¹⁴ See 2005 NECA Universal Service Fund Submission of 2004 Study Results, National Exchange Carrier Association, Inc. (Oct. 1, 2005).

For example, an adjustment ratio of 0.9776 for Cable & Wire Facilities would mean that the portion of reserves allocated to Loop is 97.76% of the portion of Cable & Wire Facilities investment that is allocated to Loop. Exhibit 3 describes the derivation of these ratios.

Exhibit 2

Allocation Of Average Schedule Accounts To Loop Cost Categories

Algorithm Line	Loop Cost Component	Factor Description	Cost Allocation Formula
AL3		Factor A: C&WF Cat. 1/Total C&WF	Average ratio by region based on cost company data
AL4		Factor B: COE Cat. 4.13/Total COE	Average ratio by region based on cost company data
AL5		Factor C (C&WF Gross Allocator): C&WF Cat. 1/Total Plant in Service	Average ratio by region based on cost company data
AL6		Factor D (COE Gross Allocator): COE Cat. 4.13/Total Plant in Service	Average ratio by region based on cost company data
AL13	C&WF Maintenance	C&WF Maintenance Expense assigned to Cat. 1 C&WF R&B Factor = $\frac{\text{C\&WF R\&B Exp.}}{\text{C\&WF Expense}}$	Factor A x (1 - C&WF R&B Factor) x <u>C&WF Expense</u> ¹⁵
AL14	COE Maintenance	COE Maintenance Expense assigned to Cat. 4.13 COE R&B Factor = $\frac{\text{COE R\&B Exp.}}{\text{COE Expense}}$	Factor B x (1 - COE R&B Factor) x <u>COE Expense</u>
AL15	Network and General Support Expense	Network Support Expense plus General Support Expense assigned to C&WF Cat. 1 and to COE Cat. 4.13 Net. Spt. R&B Factor = $\frac{\text{Network Spt. R\&B Exp.}}{\text{Network Support Expense}}$ Gen. Spt. R&B Factor = $\frac{\text{General Spt. R\&B Exp.}}{\text{General Support Expense}}$	(Factor A + Factor B) x [(1 - Network Support R&B Factor) x <u>Network Support Expense</u> + (1 - General Support R&B Factor) x <u>General Support Expense</u>]

¹⁵ Amounts underlined are data or calculated values of sample average schedule study areas. Other values are cost company factors.

Exhibit 2

Allocation Of Average Schedule Accounts To Loop Cost Categories

Algorithm Line	Loop Cost Component	Factor Description	Cost Allocation Formula
		General Support Expense	
AL16	Network Operations Expense	<p>Network Operations Expense assigned to C&WF Cat. 1 and to COE Category 4.13</p> <p>Ntwk. Oper. Ben. Factor = $\frac{\text{Ntwk. Oper. R\&B Exp.}}{\text{Ntwk. Oper. Expense}}$</p>	<p>(Factor A + Factor B) x (1 - Network Operations Ben. Factor) x <u>Network Operations Expense</u></p>
AL17	C&WF Depreciation & Amortization Expense	<p>Depreciation & Amortization Expense assigned to C&WF Category 1</p> <p>Dep. Exp. C&WF Factor = $\frac{\text{Dep. \& Amort. Exp. CWF}}{\text{C\&WF}}$</p> <p>Tangibles -- C&WF = $\frac{\text{Amort. Tangible Assets -- C\&WF}}{\text{Amort. Tangible Assets}}$</p> <p>Depreciation--Tang. Factor = (Deprec.—Tangibles) / Tangibles</p>	<p>Factor A x [(Depreciation Expense Factor--C&WF x <u>C&WF</u>) + (Depreciation Expense Factor--Tangibles x <u>Tangibles</u>) x (Tangibles Factor -- C&WF x <u>Amort. Tangible Assets</u>)]</p>
AL18	COE Depreciation & Amortization Expense	<p>Depreciation & Amortization Expense assigned to COE Category 4.13</p> <p>Dep. Exp. COE Factor = $\frac{\text{Dep. \& Amort. Exp. COE}}{\text{COE}}$</p> <p>Tangibles -- COE = $\frac{\text{Amort. Tangible Assets -- COE}}{\text{Amort. Tangible Assets}}$</p>	<p>Factor B x [(Depreciation Expense Factor--COE x <u>COE</u>) + (Depreciation Expense Factor--Tangibles x <u>Tangibles</u>) x (Tangibles Factor -- COE x <u>Amort. Tangible Assets</u>)]</p>

Exhibit 2

Allocation Of Average Schedule Accounts To Loop Cost Categories

Algorithm Line	Loop Cost Component	Factor Description	Cost Allocation Formula
		Depreciation--Tang. Factor = <u>Deprec.--Tangibles</u> Tangibles	
AL19	Corporate Operations Expense	Corporate Operations Expense assigned to C&WF Cat. 1 and to COE Cat. 4.13, limited as per 36.621(a)(4) ¹⁶	(Factor C + Factor D) x <u>Corporate Operations Expense</u>
AL20	Operating Taxes	Operating Taxes assigned to C&WF Cat. 1 and to COE Cat. 4.13 Federal Income Tax Factor = <u>Operating Taxes</u> Total Plant in Service	(Factor C + Factor D) x Federal Income Tax Factor x <u>Total Plant in Service</u>
AL21 + AL22	Benefits & Rents	Benefits & Rents other than Corporate Operations Expense assigned to C&WF Cat. 1 and COE Cat. 4.13 C&WF R&B Factor = $\frac{\text{C\&WF R\&B Expense}}{\text{C\&WF Expense}}$ COE R&B Factor = <u>COE R&B Expense</u>	(Factor C + Factor D) x [(C&WF R&B Factor x <u>C&WF Expenses</u>) + (COE R&B Factor x <u>COE Expenses</u>) + (Net. Sup. R&B Factor x <u>Net. Sup. Expenses</u>) + (General Sup. R&B Factor x <u>General Sup. Expenses</u>) + (Net. Op. Ben. Factor x <u>Net. Op. Expenses</u>)]

¹⁶ For purposes of the USF Data Submission, Corporate Operations Expenses were subject to the cap imposed by the Commission in its Order on Reconsideration adopted July 10, 1997. *See* Federal-State Joint Board on Universal Service, CC Docket No. 96-45, *Order on Reconsideration*, 12 FCC Rcd 10095 at ¶¶ 19-21 (1997). Modification to this cap according to the *RTF Order* are reflected here.

Exhibit 2

Allocation Of Average Schedule Accounts To Loop Cost Categories

Algorithm Line	Loop Cost Component	Factor Description	Cost Allocation Formula
		<p align="center">COE Expense</p> <p>Net. Spt. R&B Factor = $\frac{\text{Network Spt. R\&B Exp.}}{\text{Network Support Expense}}$</p> <p>Gen. Spt. R&B Factor = $\frac{\text{General Spt. R\&B Exp.}}{\text{General Support Expense}}$</p> <p>Ntwk. Oper. Ben. Factor = $\frac{\text{Ntwk. Oper. R\&B Exp.}}{\text{Ntwk. Oper. Expense}}$</p>	
AL23	C&WF Return	<p>Return Component for C&WF Cat. 1</p> <p>C&WF Cat. 1 Factor = $\frac{\text{C\&WF Cat. 1}}{\text{C\&WF}}$</p> <p>Tangibles -- C&WF Factor = $\frac{\text{Tangibles --C\&WF}}{\text{Tangibles}}$</p> <p>Accum. Dep. Adj. Ratio -- C&WF (See Exhibit 3)</p> <p>Net N.C. Def. FIT= $\frac{\text{Net N. C. Def. FIT--C\&WF}}{\text{Factor for C\&WF Net N. C. Def. FIT}}$</p>	$\{(\text{C\&WF Cat. 1 Factor} \times \text{C\&WF}) + (\text{Tangibles Factor} \times \text{C\&WF} \times \text{Tangibles}) + (\text{Factor C} \times \text{Materials \& Supplies}) - \text{Factor A} \times [(\text{Accum. Dep. Adj. Ratio} \times \text{C\&WF} \times \text{Acc. Dep.} \times \% \text{C\&WF Cat 1 of TPIS}) + (\text{Net N.C. D. FIT Factor} \times \text{C\&WF} \times \text{Net N. C. D. FIT}) + (\text{Accum. Dep. Adj. Ratio} \times \text{C\&WF} \times \text{Acc. Amo.})]\} \times .1125$
AL24	COE Return	<p>Return Component for COE Cat. 4.13</p> <p>COE Cat. 4.13 Factor = $\frac{\text{COE Cat. 4.13}}{\text{COE}}$</p>	$\{(\text{COE Cat. 4.13 Factor} \times \text{COE}) + (\text{Tangibles Factor} \times \text{COE} \times \text{Tangibles}) + (\text{Factor D} \times \text{Materials \& Supplies}) - \text{Factor B} \times [(\text{Accum. Dep. Adj. Ratio} \times \text{COE})]$

Exhibit 2

Allocation Of Average Schedule Accounts To Loop Cost Categories

Algorithm Line	Loop Cost Component	Factor Description	Cost Allocation Formula
		<p>Tangibles -- COE Factor = $\frac{\text{Tangibles --COE}}{\text{Tangibles}}$</p> <p>Accum. Dep. Adj Ratio -- COE. (See Exhibit 3)</p> <p>Net N.C. Def. FIT = $\frac{\text{Net N. C. Def. FIT--COE}}{\text{Factor for COE Net N. C. Def. FIT}}$</p>	<p>$\frac{x \text{ Acc. Dep} x \% \text{COE Cat 4.13 of TPIS}}{+ (\text{Net N.C. Def. FIT Factor --COE} x \text{ Net N.C. Def. FIT})}$ $+ (\text{Accum. Dep. Adj Ratio -- COE} x \text{ Acc. Amo.})] x .1125$</p>
AL25	Loop Costs	Total Unseparated Loop Cost	Sum of AL13 -- AL24
AL26	Cost Per Loop	Study Area Cost per Loop	AL25 Divided by Total Loops

Exhibit 3

Adjustment Ratios For Allocation Of Total Accumulated Depreciation

Description	Calculation	Factor name
COE Transmission fraction of TPIS	Sum DL240 / Sum DL160	TPIS % 2230
C&W Facilities fraction of TPIS	Sum DL255 / Sum DL160	TPIS % 2410
COE Transmission fraction of Tot. Acc. Dep.	Sum DL270 / Sum DL190	ACCT 3100 % 2230
C&W Facilities fraction of Tot. Acc. Dep.	Sum DL280 / Sum DL190	ACCT 3100 % 2410
Adjustment Ratio for COE Transmission.	ACCT 3100 % 2230 / TPIS % 2230	Accum. Dep. Adj. Ratio - COE
Adjustment Ratio for C&W Facilities.	ACCT 3100 % 2410 / TPIS % 2410	Accum. Dep. Adj. Ratio - C&WF

DL240 = COE Transmission (Acct 2230)

DL255 = C&WF Total (Acct 2410)

DL160 = Total Plant in Service (TPIS)

DL270 = Accumulated Depreciation - COE Transmission Equipment

DL280 = Accumulated Depreciation – Cable & Wire Facilities

DL190 = Accumulated Depreciation

Exhibit 4 displays the computed values of the loop cost categorization factors from sample cost companies, in each of NECA’s seven geographical regions.

Exhibit 4

Loop Cost Categorization Factors from Sample Cost Companies

FACTOR	REGION1	REGION2	REGION3	REGION4	REGION5	REGION6	REGION7
FACTOR A	0.92175	0.94873	0.90279	0.88898	0.91221	0.83984	0.87462
FACTOR B	0.25707	0.37573	0.34434	0.40924	0.33870	0.34415	0.33990
FACTOR C	0.43642	0.52056	0.47063	0.51001	0.44656	0.45179	0.46994
FACTOR D	0.08740	0.11531	0.10809	0.11250	0.10802	0.10732	0.10777
C&WF RENTS & BENEFITS	0.29677	0.26364	0.23299	0.27976	0.25906	0.26996	0.21402
COE RENTS & BENEFITS	0.04454	0.05865	0.04527	0.07709	0.07334	0.09496	0.05595
TANGIBLES - C&WF	0.00000	0.00000	0.00000	0.12723	0.00000	0.88207	1.00000
TANGIBLES - COE TRANSMISSION	0.10759	0.00000	0.00000	0.00000	0.00000	0.08610	0.00000
TANGIBLES - COE CATEGORY 4.13	0.00000	0.00000	0.00000	0.00000	0.00000	0.08610	0.00000
ACCUMULATED DEPRECIATION - C&WF	0.47758	0.55574	0.48974	0.55275	0.43657	0.50398	0.53948
ACCUMULATED DEPRECIATION - COE TRANS.	0.14526	0.17244	0.17880	0.18133	0.18270	0.20517	0.16779
NET NON-CURRENT DEFERRED FIT-C&WF- Commercial Companies	0.02567	0.02060	0.02254	0.02440	0.01362	0.02020	0.01727
NET NON-CURRENT DEFERRED FIT-C&WF- Cooperatives	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
NET NON-CURRENT DEFERRED FIT-COE TRANS.- Commercial Companies	0.00810	0.00886	0.00606	0.00675	0.00560	0.00919	0.01135
NET NON-CURRENT DEFERRED FIT-COE TRANS.- Cooperatives	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
NETWORK SUPPORT RENTS & BENEFITS	0.07136	0.19529	0.16715	0.08229	0.19813	0.07270	0.39816
GENERAL SUPPORT RENTS & BENEFITS	0.19059	0.12374	0.22908	0.16469	0.30833	0.25374	0.12448
NETWORK OPERATIONS BENEFITS	0.17560	0.22592	0.24427	0.23265	0.25175	0.25395	0.22392
DEPRECIATION EXPENSE - C&WF	0.04808	0.05354	0.04975	0.05008	0.04610	0.04649	0.04778
DEPRECIATION EXPENSE -COE TRANSMISSION	0.08296	0.09259	0.08661	0.08611	0.09250	0.08011	0.08737
DEPRECIATION - TANGIBLES	0.00000	0.00000	0.00000	0.12257	0.00000	0.00000	0.01058
ACCUM. DEP. ADJ. RATIO - COE	0.94076	1.00059	1.06982	1.09567	1.10028	1.10174	0.92404
ACCUM. DEP. ADJ. RATIO - C&WF	0.97756	0.98444	0.91353	0.93529	0.86811	0.92075	0.98159
OPERATING INCOME TAX - Cooperatives	0.00621	0.00422	0.00776	0.00952	0.00723	0.00810	0.00614
OPERATING INCOME TAX - Commercial Companies	0.02186	0.03978	0.02839	0.03304	0.02346	0.02409	0.02206

2. Calculation of Loop Cost for Sample Average Schedule Companies

NECA calculated loop costs for sample average schedule companies consistent with the Part 36 rules that apply to cost companies. Accordingly, for each average schedule study area in the sample, the loop cost is the accumulation of components of accounts assigned to loop. Costs assigned to the loop include Cable & Wire Facilities investment in Category 1, COE investment in Category 4.13 and other accounts assigned proportionately based on these accounts. Portions of costs in accounts assigned to the loop were determined using the allocation ratios derived from cost companies.

NECA applied the cost categorization factors shown in Exhibit 4 to uncategorized accounts from sample average schedule study areas to produce unseparated average schedule category-level loop costs. Section 36.621 of the Commission's rules describes various unseparated accounts that make up a study area's total unseparated loop costs. Following this method, the unseparated loop cost for each sample average schedule study area was determined by summing the following categories related to COE Category 4.13 and C&WF Category 1 plant, as follows.

$$\begin{aligned} \text{Loop Cost} = & \text{Maintenance Expense} + \text{Network \& General Support Expenses} \\ & + \text{Network Operations Expense} + \text{Depreciation \& Amortization Expense} \\ & + \text{Corporate Operations Expense} + \text{Operating Taxes} + \text{Benefits Expense} \\ & + \text{Rent Expense} + \text{Return on Investment} \end{aligned}$$

Exhibit 5 presents the results of loop cost calculations for the average schedule sample.

Exhibit 5

Allocation of Unseparated Total Accounts to Loop Weighted Total Data from the Average Schedule Sample

Cost Category	Calculation Method	Total Account Per Loop	Avg Loop %	Loop Cost Per Loop
C&WF Category 1	Cost Company Factor	1493.05	0.9087	1356.74
COE Category 4.13	Cost Company Factor	1139.2	0.3312	377.27
Factor A	% C&WF Cat 1 of Total C&WF	1493.35	0.9085	1356.74
Factor B	% COE Cat 4.13 or Total COE	1139.2	0.3312	377.27
Factor C	% C&WF Cat 1 of TPIS	3055.4	0.4440	1356.74
Factor D	% COE Cat 4.13 of TPIS	3055.4	0.1235	377.27
Materials & Supplies for CWF Cat 1	Factor C x M&S	16.69	0.4319	7.21
Materials & Supplies for COE Cat 4.13	Factor D x M&S	16.69	0.1235	2.06
Reserves for CWF Cat 1	Factor A x Reserves	1996.45	0.4274	853.36
Reserves for COE Cat 4.13	Factor B x Reserves	1996.45	0.1333	266.18
Factor E	% Net C&WF Cat 1 of Net TPIS	1083.32	0.4713	510.59
Factor F	% Net COE Cat 4.13 of Net TPIS	1083.32	0.1044	113.15
Maintenance of C&WF Cat 1	Factor A x (Maintenance - R & B)	56.24	0.6818	38.34
Maintenance of COE Cat 4.13	Factor B x (Maintenance - R & B)	42.58	0.2774	11.81
Network Support Assigned to Loop	(Fact C + Fact D) x (Net Sup Exp - R&B)	2.22	0.4608	1.02
General Support Assigned to Loop	(Fact C + Fact D) x (Gen Sup Exp - R&B)	23.82	0.4697	11.19
Network Operations Assigned to Loop	(Fact C + Fact D) x (Net Ops Exp - R&B)	43.87	0.4419	19.39
Depreciation of C&WF Cat 1	C&WF Cat 1 x C&WF Deprec Rate	1356.74	0.0498	67.53
Depreciation of COE Cat 4.13	COE Cat 4.13 x COE Deprec Rate	377.27	0.0868	32.76
Executive & Planning Assigned to Loop	(Fact C + Fact D) x Exec & Planning Exp	38.28	0.5464	20.92
General & Administrative Assigned to Loop	(Fact C + Fact D) x Gen & Admin Exp	85.28	0.5502	46.92
Operating Taxes Assigned to Loop	(Factor C + Factor D) x Oper Taxes	60.63	0.5643	34.22
Benefits in Oper. Exp. Assigned to Loop	(Fact C + Fact D) x (Benefits - Corp Ops)	124.86	0.1834	22.89
Rents in Oper Exp Assigned to Loop	(Fact C + Fact D) x (Rents - Corp Ops)	124.86	0.0292	3.64
Return on C&WF Cat 1	.1125 x Net CWF Cat 1	510.59	0.1125	57.44
Return on COE Cat 4.13	.1125 x Net COE Cat 4.13	113.15	0.1125	12.73
Total Loop Cost	Sum 13 Thru 24	2960.38	0.1286	380.81

3. Cost per Loop Formula for 2007

This study develops a formula that simulates the cost per loop data of sample companies which is used to compute loop costs as the basis of expense adjustments for all average schedule companies. The underlying basis of the formula is the comparison of cost per loop data obtained from average schedule sample companies to their ratios of loops per exchange. Based on the relationship of these variables, a mathematical model is developed that is used to compute HCL cost per loop for each member of the total population of average schedule companies.

NECA used the actual cost per loop data of sample average schedule study areas to derive a statistical regression model. This model form was first presented in the 2002 NECA Modification of Average Schedule Universal Service Formulas, filed on October 1, 2001, and approved by the Commission in its July 30, 2002 Order¹⁷. The model that relates cost per loop to loops per exchange in this year's study produces statistically significant coefficients. NECA proposes use of this model form in 2007 as the review of other possible models did not produce a model with better overall performance.

In Appendix B of this filing NECA presents actual HCL data of sample average schedule study areas. This section explains the use of that data to develop a statistical model for calculating CPL values for each study area in the average schedule population.

¹⁷ See Federal-State Joint Board on Universal Service, CC Docket No. 96-45, National Exchange Carrier Association, Inc. Proposed 2002 Modification of Average Schedule Formulas, *Order*, 17 FCC Rcd 14236 (2002)

This model uses the outlier accommodation method for regression, first introduced in NECA's December 31, 1998 average schedule filing¹⁸ and approved by the Commission¹⁹. The threshold used in this calculation was equal to three standard deviations of the residuals. The outlier accommodation method uses weighted linear regression, with regression weights defined in two steps. First residuals and DFFITS values for each observation are determined by an unweighted linear regression. Then regression weights are calculated using these values.

If $\text{Abs}(\text{residual}) \leq \text{threshold}$, then $\text{regression weight}_i = 1$

$$\text{Else regression weight}_i = \left(\frac{C/2}{\text{DFFITS}_i} \right)^2, \text{ where } C = 2\sqrt{\frac{P+1}{N-P-1}}$$

P = number of model coefficients, N = number of observations

The model relates the CPL variable (the dependent variable) to the loops per exchange variable by constrained linear regression. The model reflects the CPL trend of sample companies, which show relatively higher costs associated with lower values of loops per exchange. This trend decreases according to one rate for the smallest study areas, then decreases at slower rates for each of two groups of midsize average schedule study areas, and finally levels off for the larger study areas.

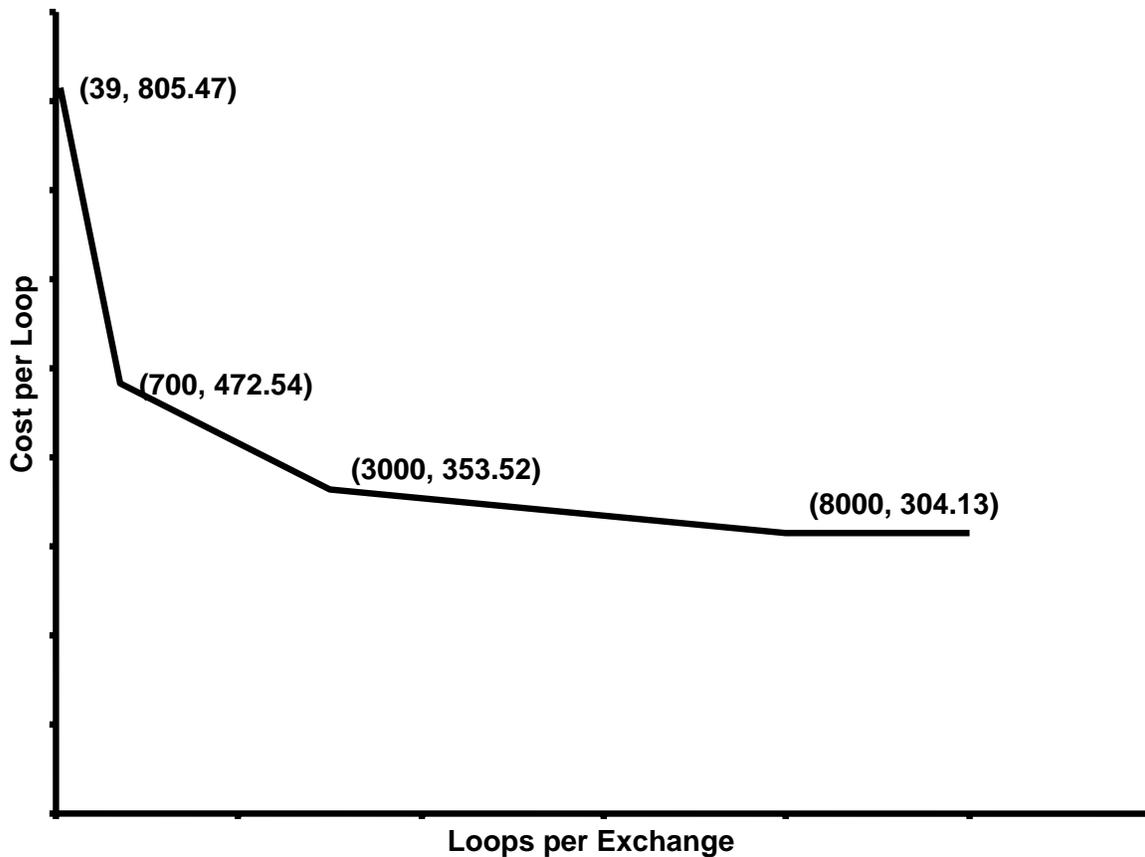
Breakpoints and levels of the straight line components of the formula were chosen because they best fit the cost per loop data. NECA designed formula breakpoints to

¹⁸ See 1999 NECA Modifications of Average Schedules, National Exchange Carrier Association, Inc. (Dec. 31, 1998).

¹⁹ See National Exchange Carrier Association, Inc., Proposed Modifications to the 1999-2000 Interstate Average Schedule Formulas, ASD 99-18, *Order*, 14 FCC Rcd 9803 (1999).

assure that support amounts would be accurately distributed across study areas in all size ranges. NECA determined statistically that the formula would be more accurate if it had breakpoints at 700, 3000, and 8000 loops per exchange. In order to reflect these trends, NECA developed Cost per Loop model consisting of four straight lines connected at these breakpoints and at the payment limit. NECA tested sets of breakpoints and regression coefficients iteratively to determine the combination with the best fit to data.

Exhibit 6
Cost Per Loop Model



To fit the Cost per Loop formula to sample company data, NECA first calculated the overall average CPL of study areas with more than 50,000 USF Loops or loops per exchange exceeding 8000, using the standard weighted ratio estimation method. This method produced a formula Cost per Loop for this group of study areas of \$304.13. This CPL is a good statistical representation of the data of these study areas, which show a consistently flat trend as related to loops per exchange.

$$Cost\ Per\ Loop = \frac{\sum_{ECs > 8000\ LPE} Sample\ Weight_i \cdot Outlier\ Weight_i \cdot Loop\ Cost_i \cdot Loops_i}{\sum_{ECs > 8000\ LPE} Sample\ Weight_i \cdot Outlier\ Weight_i \cdot Loops_i}$$

Next, NECA used linear regression to solve for other parameters of the model. The regression model is a sequence of three connected straight lines specified as follows (CPL designates the study area's cost per loop).

$$CPL_i = [a_1 + b_1 LPE_i]\delta_{1i} + [a_2 + b_2 LPE_i]\delta_{2i} + [a_3 + b_3 LPE_i]\delta_{3i}$$

where: $\delta_{1i} = 1$, if $LPE_i \leq BP_1$, and $\delta_{1i} = 0$ otherwise.

$\delta_{2i} = 1$, if $BP_1 < LPE_i \leq BP_2$, and $\delta_{2i} = 0$ otherwise.

$\delta_{3i} = 1$, if $BP_2 < LPE_i$, and $\delta_{3i} = 0$ otherwise.

The model is constrained at the breakpoints, BP_1 , BP_2 and *Payment Limit*, so that:

$$a_1 + b_1 \cdot BP_1 = a_2 + b_2 \cdot BP_1$$

$$a_2 + b_2 \cdot BP_2 = a_3 + b_3 \cdot BP_2$$

$$a_3 + b_3 \cdot Payment\ Limit = a_4 = \$304.13$$

The resulting model is derived by standard linear regression methods, including outlier weighting as described earlier in this section. This model fits the CPL data most accurately, and reflects relationships between high loop cost and loops per exchange. The resulting Cost per Loop model is shown in Exhibit 1.

E. HCL Payments for the Population of Average Schedule companies

In 2007, actual HCL payments will be determined using each company's CPL value, the expense adjustment algorithm, and the NACPL value adjusted according to the Commission's rules to cap the total fund size. Following is a discussion of the effects of these calculations.

According to the Commission's rule 36.631 NECA calculates expense adjustments two ways, first using the uncapped NACPL defined to be \$240.00, and second using the "capped" NACPL of \$335.65 at the time of this filing.

Because of the cap, payments to average schedule companies will be reduced from the uncapped expense adjustment level of \$164.0 million to \$56.1 million. Average schedule companies that will actually receive payments in 2007 are those with loops per exchange less than 2,328, according to NECA's current view of the capped NACPL. Because the current capped NACPL does not reflect quarterly updates to cost data submissions to be filed after October 1 of this year, the capped NACPL can be expected to increase, further reducing average schedule payments compared to levels stated above.

F. Effects of Changes on Average Schedule Companies

This section provides a summary comparison of proposed payments of \$56.1 million and current payments of \$45.3 million, categorized by line size group and by percent difference band.

Exhibit 7 summarizes the changes in payments by study area size.

Exhibit 7

Proposed Monthly HCL Payment Changes By Loop Size

Loop Size Group	Count of Study Areas	2006 USF Payments (current)	2007 Proposed Payment (Fund Cap Applied)	Monthly Change per Loop	Percent Difference
0 TO 500	66	\$197,601	\$295,583	\$5.34	49.59
500 TO 1000	89	\$407,620	\$543,178	\$2.04	33.26
1000 TO 2500	153	\$1,194,725	\$1,556,018	\$1.44	30.24
2500 TO 5000	66	\$800,536	\$1,016,634	\$0.89	26.99
5000 TO 10000	53	\$729,810	\$826,571	\$0.27	13.26
10000 TO 20000	21	\$311,536	\$317,606	\$0.02	1.95
OVER 20000	19	\$130,367	\$117,837	-\$0.01	-9.61

Exhibit 8 summarizes the changes in expense adjustments by percent change bands.

Exhibit 8

Proposed Monthly HCL Payment Changes By Per Cent Change Bands

Percent Change Group	Count of Study Areas	2006 USF Payments (current)	2007 Proposed Payment (Fund Cap Applied)	Monthly Change per Loop
-100% TO -90%	12	\$37,568	\$0	-\$0.37
-80% TO -70%	2	\$14,433	\$3,979	-\$0.50
-70% TO -60%	4	\$14,268	\$4,593	-\$0.47
-60% TO -50%	3	\$9,208	\$4,115	-\$0.45
-50% TO -40%	4	\$13,556	\$7,610	-\$0.39
-40% TO -30%	3	\$46,078	\$31,877	-\$0.36
-30% TO -20%	8	\$32,117	\$23,540	-\$0.35
-20% TO -10%	12	\$76,016	\$63,906	-\$0.33
-10% TO -5%	7	\$41,087	\$37,945	-\$0.14
-5% TO -2%	8	\$67,644	\$65,453	-\$0.07
-2% TO 0%	7	\$57,078	\$56,248	-\$0.03
0% TO 2%	72	\$202,579	\$204,030	\$0.00
2% TO 5%	24	\$203,160	\$210,446	\$0.09
5% TO 10%	61	\$510,403	\$551,030	\$0.27
10% TO 20%	47	\$390,025	\$436,961	\$0.46
20% TO 30%	14	\$126,521	\$157,071	\$1.11
30% TO 40%	29	\$289,656	\$398,181	\$2.30
40% TO 50%	114	\$1,346,020	\$1,966,330	\$4.41
50% TO 60%	31	\$284,443	\$431,259	\$6.25
60% TO 70%	2	\$4,135	\$6,839	\$4.30
70% TO 80%	2	\$3,735	\$6,559	\$6.96
100% TO 200%	1	\$2,465	\$5,455	\$8.26

G. Conclusion

The proposed HCL formula shown in Exhibit 1 herein has been shown to conform to FCC rules regarding USF reporting, to produce payments consistent with those experienced by similarly situated cost companies as required by the Commission's Part 69 rules, and to yield reasonable changes in payments to average schedule companies. The Commission should approve this formula for implementation on January 1, 2007.

Appendix A
 2006 Average Schedule USF Study
 Study Area Code / Study Area Name

Obs	Study Area Code	Study Area Name
1	100005	COBBOSSEECONTEE TEL. CO.
2	100015	COMMUNITY SERVICE TEL. CO.
3	100019	OXFORD COUNTY TEL. & TELE. CO.
4	100020	PINE TREE TEL. & TELE. CO.
5	100022	SACO RIVER TEL. & TELE. CO.
6	120042	DIXVILLE TEL. CO.
7	120043	DUNBARTON TEL. CO.
8	132454	THE WOODBURY TEL. CO.
9	140053	FRANKLIN TEL. CO.-VT
10	140064	SHOREHAM TEL. CO., INC.
11	150076	CASSADAGA TEL. CORP.
12	150088	DELHI TELEPHONE COMPANY
13	150112	ONTARIO TELEPHONE COMPANY, INC.
14	150125	STATE TEL. CO.
15	170145	BENTLEYVILLE COMM CORP dba THE BENTLEYVILLE
16	170151	BUFFALO VALLEY TEL. CO.
17	170156	CITIZENS TEL. CO. OF KECKSBURG
18	170161	COMMONWEALTH TELEPHONE COMPANY
19	170162	THE CONESTOGA TEL. AND TEL. CO.
20	170165	DENVER AND EPHRATA TEL. & TEL. CO.
21	170171	HICKORY TEL. CO.
22	170175	IRONTON TEL. CO.
23	170179	LAUREL HIGHLAND TEL. CO.
24	170191	THE NORTH EASTERN PA. TEL. CO.
25	170193	NORTH PITTSBURGH TEL. CO.
26	170195	ARMSTRONG TEL. CO. NORTH
27	170196	PALMERTON TEL. CO.
28	170197	PENNSYLVANIA TEL. CO.
29	170200	PYMATUNING IND. TEL. CO.
30	170204	SOUTH CANAAN TEL. CO.
31	170210	VENUS TEL. CORP.
32	170215	YUKON-WALTZ TEL. CO.
33	170277	WEST SIDE TEL. CO.-PA
34	190219	BUGGS ISLAND TEL. COOP.
35	190220	BURKE'S GARDEN TEL. CO., INC.
36	190225	CITIZENS TEL. COOP.-VA
37	190226	NTELOS, INC.
38	190236	NORTH RIVER TEL. COOP.
39	190237	HIGHLAND TEL. COOP.-VA
40	190238	MGW TELEPHONE COMPANY, INC.
41	190239	NEW HOPE TELEPHONE COOPERATIVE
42	190243	PEMBROKE TEL. COOP.
43	190248	SCOTT COUNTY TEL. COOP. INC.
44	190250	SHENANDOAH TEL. CO.
45	190253	VIRGINIA TEL. CO.
46	200258	WAR ACQUISITION CORP. DBA WAR TELEPHONE CO.
47	220324	VALLEY TELEPHONE CO., LLC
48	220364	GEORGIA TEL. CORP.
49	220375	NELSON-BALL GROUND TEL. CO.

Appendix A
 2006 Average Schedule USF Study
 Study Area Code / Study Area Name

Obs	Study Area Code	Study Area Name
50	220380	PROGRESSIVE RURAL TEL. COOP., INC.
51	220387	FRONTIER COMMUNICATIONS OF GEORGIA, LLC
52	220389	TRENTON TEL. CO.
53	220395	ACCUCOMM TELECOMMUNICATIONS, INC.
54	230478	ELLERBE TEL. CO.
55	230491	NORTH STATE TEL. CO.-NC dba NORTH STATE COMM.
56	230494	PINEVILLE TEL. CO.
57	230495	RANDOLPH TEL. CO.
58	230496	RANDOLPH TEL. MEMB. CORP.
59	230497	PIEDMONT TEL. MEMB. CORP.
60	230500	SERVICE TEL. CO.
61	230501	SKYLINE TEL. MEMB. CORP.
62	230503	SURRY TEL. MEMB. CORP.
63	230505	TRI-COUNTY TEL. MEMB. CORP.-NC
64	230511	YADKIN VALLEY TEL. MEMB. CORP.
65	240515	CHESNEE TEL. CO.
66	240516	CHESTER TEL. CO.-SC
67	240532	LOCKHART TEL. CO., INC.
68	240535	NORWAY TEL. CO., INC.
69	240536	PALMETTO RURAL TEL. COOP., INC.
70	240541	RIDGEWAY TEL. CO., INC.
71	240546	SANDHILL TEL. COOP., INC.
72	250283	BRINDLEE MOUNTAIN TEL. CO.
73	250285	CASTLEBERRY TEL. CO., INC.
74	250301	FRONTIER COMMUNICATIONS OF LAMAR COUNTY, LLC
75	250311	OAKMAN TEL. CO., INC.
76	250312	OTELCO TELEPHONE LLC
77	250322	UNION SPRINGS TEL. CO.
78	260396	BALLARD RURAL TEL. COOP. CORP., INC.
79	260398	BRANDENBURG TEL. CO., INC.
80	260408	GEARHEART COMM. DBA COALFIELDS TEL. CO.
81	260412	LEWISPORT TEL. CO., INC.
82	260414	MOUNTAIN RURAL TEL. COOP. CORP., INC.
83	260417	SALEM TEL. CO.
84	260419	THACKER/GRIGSBY TEL. CO., INC.
85	270428	DELCAMBRE TEL. CO.
86	280451	DECATUR TEL. CO., INC.-MS
87	280460	FRONTIER COMM. OF MISSISSIPPI, INC.
88	280467	SMITHVILLE TEL. CO.
89	287449	MYRTLE TEL. CO., INC.
90	290553	BEN LOMAND RURAL TEL. COOP., INC.
91	290554	BLED SOE TEL. COOP.
92	290559	CONCORD TEL. EXCHANGE, INC.
93	290565	HIGHLAND TEL. COOP., INC.-TN
94	290570	LORETTO TEL. CO., INC.
95	290584	YORKVILLE TEL. COOP., INC.
96	300585	ARCADIA TEL. CO.
97	300586	THE ARTHUR MUTUAL TEL. CO.
98	300588	AYERSVILLE TEL. CO.

Appendix A
 2006 Average Schedule USF Study
 Study Area Code / Study Area Name

Obs	Study Area Code	Study Area Name
99	300589	BASCOM MUTUAL TEL. CO.
100	300590	BENTON RIDGE TEL. CO.
101	300591	BUCKLAND TELEPHONE COMPANY
102	300594	THE CHAMPAIGN TEL. CO.
103	300604	COLUMBUS GROVE TEL. CO.
104	300609	DOYLESTOWN TEL. CO.
105	300614	FORT JENNINGS TEL. CO.
106	300618	GERMANTOWN INDEPENDENT TEL. CO.
107	300619	GLANDORF TEL. CO., INC.
108	300625	KALIDA TEL. CO., INC.
109	300633	MIDDLE POINT HOME TEL. CO.
110	300634	MINFORD TEL. CO., INC.
111	300639	THE NEW KNOXVILLE TEL. CO.
112	300645	OAKWOOD TEL. CO.
113	300650	THE OTTOVILLE MUTUAL TEL. CO.
114	300651	PATTERSONVILLE TEL. CO.-OH
115	300654	RIDGEVILLE TEL. CO.
116	300656	SHERWOOD MUTUAL TEL. ASSOC.
117	300659	TELEPHONE SERVICE CO.
118	300662	VANLUE TEL. CO.
119	300663	VAUGHNSVILLE TEL. CO., INC.
120	300664	WABASH MUTUAL TEL. CO.
121	310669	ALLENDALE TEL. CO.
122	310675	BARAGA TEL. CO.
123	310676	BARRY COUNTY TEL. CO.
124	310678	BLANCHARD TEL. ASSOC., INC.
125	310688	CLIMAX TEL. CO.
126	310692	DRENTHE TEL. CO.
127	310694	FARMERS MUT. OF CHAPIN DBA CHAPIN TEL. CO.
128	310703	KALEVA TEL. CO.
129	310725	SAND CREEK TEL. CO.
130	310735	WESTPHALIA TEL. CO.
131	320744	CAMDEN TEL. CO., INC.-IN
132	320750	FRONTIER COMM. OF INDIANA, INC.
133	320751	CITIZENS TEL. CORP.-WARREN
134	320756	CRAIGVILLE TEL. CO., INC.
135	320771	GEETINGSVILLE TEL. CO., INC.
136	320777	HOME TEL. CO. OF PITTSBORO, INC.
137	320778	HOME TEL. CO., INC.
138	320790	MONON TEL. CO., INC.
139	320792	MULBERRY COOP. TEL. CO., INC.
140	320796	NEW LISBON TEL. CO., INC.
141	320809	COMM. CORP. OF SOUTHERN INDIANA
142	320816	S & W TEL. CO., INC.
143	320826	SWAYZEE TEL. CO., INC.
144	320827	SWEETSER RURAL TEL. CO., INC.
145	320829	TIPTON TEL. CO., INC.
146	320830	TRI-COUNTY TEL. CO., INC.-IN
147	320834	WASH. CTY. RURAL TEL. COOP., INC.

Appendix A
 2006 Average Schedule USF Study
 Study Area Code / Study Area Name

Obs	Study Area Code	Study Area Name
148	320837	WEST POINT TEL. CO., INC.
149	320839	YEOMAN TEL. CO., INC.
150	330842	AMERY TELCOM, INC.
151	330843	AMHERST TEL. CO.
152	330846	BALDWIN TELCOM., INC.
153	330847	BELMONT TEL. CO.
154	330848	BERGEN TEL. CO.
155	330849	BLACK EARTH TEL. CO.
156	330850	BLOOMER TEL. CO.
157	330851	BONDUEL TEL. CO.
158	330856	BURLINGTON BRIGHTON & WHEATLAND TEL.
159	330863	CITIZENS TEL. COOP., INC.-WI
160	330865	CLEAR LAKE TEL. CO., INC.-WI
161	330866	COCHRANE COOP. TEL. CO.
162	330868	COON VALLEY FARMERS TEL. CO., INC.
163	330872	CUBA CITY TEL. EXCH. CO.
164	330875	DICKEYVILLE TEL. CO.
165	330879	FARMERS IND. TEL. CO.-WI
166	330880	FARMERS TEL. CO.-WI
167	330881	MID-PLAINS TEL., INC.
168	330889	HAGER TELECOM, INC.
169	330892	HILLSBORO TEL. CO., INC.
170	330896	LAKEFIELD TEL. CO.
171	330899	LA VALLE TEL. COOP.
172	330900	LEMONWEIR VALLEY TEL. CO.
173	330902	LUCK TEL. CO.
174	330905	MANAWA TEL. CO.
175	330914	EASTCOAST TELECOM, INC.
176	330915	MOSINEE TEL. CO.
177	330925	BAYLAND TEL, INC.
178	330930	GRANTLAND TELECOM, INC.
179	330938	NORTHEAST TEL. CO.
180	330943	RIVERSIDE TELECOM, INC.
181	330944	FRONTIER COMM.-ST. CROIX LLC
182	330945	SCANDINAVIA TEL. CO.
183	330946	SHARON TEL. CO.
184	330949	SIREN TEL. CO., INC.
185	330951	SOMERSET TEL. CO., INC.
186	330955	STATE LONG DISTANCE TEL. CO.
187	330960	TRI-COUNTY COMMUNICATIONS COOPERATIVE, INC.
188	330962	UNION TEL. CO.
189	330966	VERNON TEL. COOP.
190	330967	FRONTIER COMM. OF VIROQUA LLC
191	330968	WAUNAKEE TEL. CO.
192	330970	CENTURYTEL OF THE MIDWEST-WI/WAYSIDE
193	340976	ADAMS TEL. COOP.
194	340983	CAMBRIDGE TEL. CO.-IL
195	340990	CLARKSVILLE MUTUAL TEL. CO.
196	340993	CROSSVILLE TEL. CO.

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Obs	Study Area Code	Study Area Name
197	340998	FRONTIER COMM. OF DEPUE, INC.
198	341016	GENESEO TEL. CO.
199	341017	GLASFORD TEL. CO.
200	341021	THE GRANDVIEW MUTUAL TEL. CO.
201	341024	HAMILTON COUNTY TELEPHONE CO-OP
202	341029	HENRY COUNTY TEL. CO.
203	341041	KINSMAN MUTUAL TEL. CO.
204	341046	LEONORE MUTUAL TEL. CO.
205	341050	MARSEILLES TEL. CO. OF MARS.
206	341053	METAMORA TEL. CO.
207	341054	MID CENTURY TEL. COOP., INC.
208	341062	NEW WINDSOR TEL. CO.
209	341075	REYNOLDS TEL. CO.
210	341086	TONICA TEL. CO.
211	341087	VIOLA HOME TEL. CO.
212	341092	STELLE TEL. CO.
213	351097	ANDREW TEL. CO., INC.
214	351098	ARCADIA TEL. COOP.
215	351101	ATKINS TEL. CO.
216	351107	BALDWIN-NASHVILLE TEL. CO., INC.
217	351108	BARNES CITY COOP. TEL. CO.
218	351112	BREDA TEL. CORPORATION
219	351113	BROOKLYN MUTUAL TEL. CO.
220	351114	THE BURT TEL. CO.
221	351115	BUTLER-BREMER MUT. TEL. CO.
222	351118	CASCADE COMMUNICATIONS COMPANY
223	351119	CASEY MUTUAL TEL. CO.
224	351121	CENTER JUNCTION TEL. CO., INC.
225	351125	CENTRAL SCOTT TEL.
226	351126	CenturyTel of Chester, Inc.
227	351130	CLARENCE TEL. CO., INC.
228	351133	C-M-L TEL. COOP. ASSN.
229	351136	COON CREEK TEL. CO.
230	351137	COON VALLEY COOP. TEL. ASSN., INC.
231	351139	COOP. TEL. CO.
232	351141	CORN BELT TEL. CO.
233	351146	CUMBERLAND TEL. CO.
234	351147	DANVILLE MUT. TEL. CO.
235	351149	FARMERS MUTUAL COOPERATIVE TEL CO (DEFIANCE)
236	351150	DIXON TEL. CO.
237	351152	DUMONT TEL. CO.
238	351153	DUNKERTON TEL. COOP., INC.
239	351157	ELLSWORTH COOP. TEL. ASSN.
240	351160	FARMERS & BUSINESSMEN'S TEL. CO.
241	351162	FARMERS COOP. TEL. CO.-DYSART
242	351166	FARMERS & MERCHANTS MUTUAL TEL. CO.
243	351168	FARMERS MUTUAL COOP TEL CO- HARLAN
244	351169	FARMERS MUTUAL COOP. TEL. CO.-MOULTON
245	351171	FARMERS MUTUAL TEL. CO.-JESUP

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Obs	Study Area Code	Study Area Name
246	351172	FARMERS MUTUAL TEL. CO.-NORA SPRINGS
247	351173	FARMERS MUTUAL TEL. COOP.-SHELLSBURG
248	351174	FARMERS MUTUAL TEL. CO.-STANTON
249	351175	FARMERS TEL. CO.-BATAVIA
250	351176	FARMERS TEL. CO.-ESSEX
251	351177	FARMERS TEL. CO.-RICEVILLE
252	351179	FENTON COOP. TEL. CO.
253	351187	PARTNER COMMUNICATIONS COOPERATIVE
254	351188	GOLDFIELD TEL. CO.
255	351189	RIVER VALLEY TELECOMMUNICATIONS COOP.
256	351191	GRAND MOUND COOP. TEL. ASSN.
257	351195	GRISWOLD COOP. TEL. CO.
258	351199	HAWKEYE TEL. CO.
259	351202	HOSPERS TEL. EXCHANGE, INC.
260	351203	HUBBARD COOP. TEL. ASSN.
261	351205	HUXLEY COMMUNICATIONS COOPERATIVE
262	351206	IAMO TEL. CO.-IA
263	351209	INTERSTATE 35 TEL. CO. DBA INTERSTATE COMM.
264	351212	JEFFERSON TEL. CO.-IA
265	351213	JORDAN SOLDIER VALLEY TELEPHONE COMPANY
266	351217	KEYSTONE FRMS. COOP. TEL. CO.
267	351220	LA PORTE CITY TEL. CO.
268	351222	LA MOTTE TEL. CO.
269	351223	LAUREL TEL. CO., INC.
270	351225	LEHIGH VALLEY COOP. TEL. ASSN.
271	351228	LONE ROCK COOP. TEL. CO.
272	351230	NORTHEAST IOWA TEL. CO.
273	351232	LYNNVILLE TELEPHONE COMPANY
274	351235	FARMERS MUTUAL COOPERATIVE TEL CO (MANILLA)
275	351237	MARNE & ELK HORN TEL. CO.
276	351238	MARTELLE COOP. TEL. ASSN.
277	351239	MASSENA TEL. CO.
278	351241	MECHANICSVILLE TEL. CO.
279	351242	MILES COOP. TEL. ASSN.
280	351243	MILLER TEL. CO.-IA
281	351245	MINBURN TEL. CO.
282	351246	MINERVA VALLEY TEL. CO., INC.
283	351247	MODERN COOP. TEL. CO.
284	351248	MONTEZUMA MUTUAL TEL. CO.
285	351250	MUTUAL TEL. CO. OF MORNING SUN
286	351251	MEDIAPOLIS TEL. CO.
287	351252	MUTUAL TEL. CO.
288	351257	NORTH ENGLISH COOP. TEL. CO.
289	351259	NORTHERN IOWA TEL. CO.
290	351260	NORTHWEST IOWA TEL. CO., INC.
291	351261	NORTHWEST TEL. COOP.
292	351262	COMMUNICATIONS 1 NETWORK, INC.
293	351263	OGDEN TEL. CO.-IA
294	351264	OLIN TEL. CO., INC.

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Obs	Study Area Code	Study Area Name
295	351265	ONSLOW COOP. TEL. ASSN.
296	351266	ORAN MUTUAL TEL. CO.
297	351269	PALO COOP. TEL. ASSN.
298	351270	PALMER MUTUAL TEL. CO.
299	351271	PANORA COMMUNICATIONS COOPERATIVE
300	351273	PEOPLES TEL. CO.-IA
301	351274	CENTURYTEL OF POSTVILLE, INC.
302	351275	PRAIRIEBURG TEL. CO., INC.
303	351276	PRESTON TEL. CO.
304	351277	RADCLIFFE TEL. CO., INC.
305	351278	READLYN TEL. CO.
306	351280	RINGSTED TEL. CO.
307	351282	ROCKWELL COOP. TEL. ASSN.
308	351283	ROYAL TEL. CO.
309	351284	RUTHVEN TEL. EXCH. CO.
310	351285	SAC COUNTY MUTUAL TEL. CO.
311	351291	SCHALLER TEL. CO.
312	351292	SEARSBORO TEL. CO.
313	351293	SHARON TEL. CO.
314	351294	SCRANTON TEL. CO.
315	351297	HEART OF IOWA COMMUNICATIONS COOP.
316	351298	SOUTH SLOPE COOP. TEL. CO.
317	351301	SOUTHWEST TEL. EXCH., INC.
318	351302	SPRINGVILLE COOP. TEL. ASSN.
319	351303	COOPERATIVE TEL. EXCHANGE
320	351304	SWISHER TEL. CO.
321	351305	STRATFORD MUTUAL TEL. CO.
322	351306	SULLY TEL. ASSOC.
323	351307	SUPERIOR TEL. COOP.
324	351308	TEMPLETON TEL. CO.
325	351309	TERRIL TELEPHONE COOPERATIVE
326	351310	TITONKA TEL. CO.
327	351319	VAN BUREN TEL. CO., INC.
328	351320	VAN HORNE COOP. TEL. CO.
329	351322	VENTURA TEL. CO., INC.
330	351324	VILLISCA FARMERS TEL. CO.
331	351326	WALNUT TEL. CO.
332	351328	WEBSTER-CALHOUN COOP. TEL. ASSN.
333	351329	WELLMAN COOP. TEL. ASSN.
334	351331	WEST IOWA TEL. CO.
335	351332	WEST LIBERTY TEL. CO.
336	351334	WESTERN IOWA TEL. ASSN.
337	351335	WESTSIDE INDP. TEL. CO.
338	351336	WILTON TEL. CO.
339	351337	WINNEBAGO COOP. TEL. ASSN.-IA
340	351342	WOOLSTOCK MUT. TEL. ASSN.
341	351343	WYOMING MUTUAL TEL. CO.
342	351344	PRAIRIE TEL. CO., INC.
343	351405	HILLS TEL. CO., INC.-IA

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Obs	Study Area Code	Study Area Name
344	351424	MABEL COOP. TEL. CO.-IA
345	361337	WINNEBAGO COOP. TEL. ASSN.-MN
346	361347	ALBANY MUTUAL TEL. ASSN., INC.
347	361348	WILDERNESS VALLEY TELEPHONE COMPANY, INC.
348	361353	CITY OF BARNESVILLE TEL. CO.
349	361356	BENTON COOP. TEL. CO.
350	361358	BLUE EARTH VALLEY TEL. CO.
351	361362	BRIDGEWATER TEL. CO.
352	361365	CALLAWAY TEL. CO.
353	361372	CLEMENTS TEL. CO.
354	361373	CONSOLIDATED TEL. CO.-MN
355	361375	MID-COMMUNICATIONS, INC. dba HICKORYTECH
356	361380	DELAVAN TEL. CO.
357	361381	DUNNELL TEL. CO., INC.
358	361384	EASTON TEL. CO.
359	361389	FARMERS MUTUAL TEL. CO.-BELLINGHAM
360	361390	FEDERATED TEL. COOP.
361	361396	GARDONVILLE COOP. TEL. ASSN.
362	361401	HALSTAD TEL. CO.
363	361403	FEDERATED UTILITIES, INC. DBA HANCOCK TEL. CO
364	361404	HARMONY TEL. CO.
365	361405	HILLS TEL. CO., INC.-MN
366	361408	HOME TEL. CO.-MN
367	361409	HUTCHINSON TELEPHONE COMPANY
368	361412	KASSON & MANTORVILLE TEL. CO.
369	361413	MID STATE TEL. CO. DBA KMP TEL. CO.
370	361419	LISMORE COOPERATIVE TELEPHONE CO.
371	361422	LONSDALE TELEPHONE COMPANY
372	361423	LOWRY TELEPHONE COMPANY, LLC
373	361424	MABEL COOPERATIVE TELEPHONE CO.- MN
374	361425	CHRISTENSEN COMMUNICATIONS COMPANY
375	361426	MANCHESTER-HARTLAND TELEPHONE CO.
376	361427	MANKATO CITIZENS TELEPHONE CO dba HICKORYTECH
377	361430	MELROSE TELEPHONE COMPANY
378	361431	MIDWEST TEL. CO.
379	361439	MINNESOTA VALLEY TEL. CO. INC.
380	361440	CANNON VALLEY TELECOM, INC.
381	361443	LORETEL SYSTEMS, INC.
382	361448	OSAKIS TELEPHONE COMPANY
383	361450	PARK REGION MUTUAL TEL. CO.
384	361472	REDWOOD COUNTY TEL. CO.
385	361474	ROTHSAY TELEPHONE COMPANY INC.
386	361475	RUNESTONE TEL. ASSN.
387	361476	SACRED HEART TEL. CO.
388	361479	SCOTT RICE TEL. CO. dba INTEGRA TELECOM
389	361485	SPRING GROVE COOP TEL CO
390	361487	STARBUCK TEL. CO.
391	361494	UPSALA COOPERATIVE TELEPHONE ASSN.
392	361495	VALLEY TEL. CO.-MN

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Obs	Study Area Code	Study Area Name
393	361499	CROSSLAKE TELEPHONE COMPANY
394	361500	NORTHERN TELEPHONE COMPANY OF MN
395	361502	WESTERN TELEPHONE COMPANY
396	361505	WIKSTROM TELEPHONE COMPANY INC.
397	361507	WINSTED TELEPHONE COMPANY
398	361508	WINTHROP TEL. CO.
399	361510	WOODSTOCK TELEPHONE COMPANY
400	361512	WOLVERTON TELEPHONE COMPANY
401	361515	ZUMBROTA TELEPHONE COMPANY
402	361654	INTERSTATE TELECOMMUNICATIONS COOP., INC.-MN
403	371530	CONSOLIDATED TELCO, INC.
404	371532	CONSOLIDATED TELEPHONE COMPANY- NE
405	371555	HAMILTON TELEPHONE COMPANY
406	371562	CONSOLIDATED TELECOM, INC.
407	371563	HOOPER TELEPHONE COMPANY
408	371565	K & M TELEPHONE COMPANY INC.
409	371581	PIERCE TELEPHONE COMPANY
410	371590	SODTOWN TEL. CO.
411	381509	WOLVERTON TEL. CO.
412	381601	ABSARAKA COOP TELEPHONE CO.
413	381614	POLAR TELECOMMUNICATIONS, INC.
414	381615	GRIGGS COUNTY TELEPHONE COMPANY
415	381622	MOORE & LIBERTY TELEPHONE COMPANY
416	381625	NORTHWEST COMMUNICATIONS COOPERATIVE
417	381631	RED RIVER RURAL TEL. ASSN.
418	381638	MIDSTATE COMMUNICATIONS INC.
419	383303	SRT COMMUNICATIONS, INC.
420	391640	ARMOUR INDEPENDENT TELEPHONE CO.
421	391642	ALLIANCE COMMUNICATIONS COOP., INC. (BAL TIC)
422	391649	BERESFORD MUNICIPAL TEL. CO.
423	391650	CITY OF BROOKINGS MUNICIPAL TEL. DEPT.
424	391653	CITY OF FAITH MUNICIPAL TEL CO
425	391654	INTERSTATE TELECOMMUNICATIONS COOP., INC.
426	391657	ALLIANCE COMMUNICATIONS COOP. INC (SPLITROCK)
427	391660	FORT RANDALL TEL. CO. DBA MT. RUSHMORE TEL CO
428	391664	JAMES VALLEY COOPERATIVE TEL CO
429	391669	MCCOOK COOPERATIVE TELEPHONE CO.
430	391671	WEST RIVER TELECOMMUNICATIONS COOP.(MOBRIDGE)
431	391674	ROBERTS COUNTY TEL. COOP. ASSN.
432	391677	SIOUX VALLEY TELEPHONE COMPANY
433	391682	TRI-COUNTY TELCOM, INC.
434	391684	UNION TELEPHONE COMPANY
435	391688	WESTERN TELEPHONE COMPANY
436	401710	MAGAZINE TELEPHONE COMPANY
437	401712	MOUNTAIN VIEW TELEPHONE COMPANY
438	401722	E. RITTER TELEPHONE COMPANY
439	421206	IAMO TELEPHONE COMPANY - MO
440	421759	CRAW-KAN TELEPHONE COOP INC - MO
441	421860	ALMA COMMUNICATIONS COMPANY DBA ALMA TEL. CO.

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Obs	Study Area Code	Study Area Name
442	421876	FARBER TELEPHONE COMPANY
443	421893	CHOCTAW TELEPHONE COMPANY
444	421900	KLM TEL. CO.
445	421932	LATHROP TELEPHONE COMPANY
446	421936	PEACE VALLEY TELEPHONE CO.
447	421942	ROCK PORT TEL. CO.
448	431704	LAVACA TELEPHONE CO.- OK
449	431968	BEGGS TELEPHONE COMPANY
450	432141	SANTA ROSA TELEPHONE COOP. INC.
451	442038	BLOSSOM TELEPHONE COMPANY
452	442043	NORTH TEXAS TELEPHONE COMPANY
453	442107	LIVINGSTON TELEPHONE COMPANY
454	462198	PINE DRIVE TEL. CO.
455	462206	STONEHAM COOPERATIVE TEL. CO.
456	462210	WILLARD TEL. CO.
457	472227	MUD LAKE TELEPHONE COOPERATIVE ASSN. INC.
458	482252	RONAN TEL. CO.
459	502279	GUNNISON TEL. CO.
460	502282	MANTI TELEPHONE COMPANY
461	502283	SKYLINE TELECOM
462	522430	MCDANIEL TELEPHONE COMPANY
463	532386	MT. ANGEL TELEPHONE COMPANY
464	532396	ST. PAUL COOP. TEL. ASSN.
465	532399	STAYTON COOP. TEL CO
466	613005	CIRCLE UTILITIES
467	613026	NORTH COUNTRY TELEPHONE COMPANY

Appendix B
 2006 Average Schedule USF Study
 Sample Average Schedule Study Areas
 Underlying data - Cost per Loop Calculation

Study Area Code	Actual USF Loop Count	Exchange Count	Sample Weight	Actual Cost per Loop
100020	6918	3	1.0000	287.35
120042	562	1	3.0000	125.82
120043	1685	1	0.5000	446.83
132454	24245	1	0.5000	295.65
140053	869	1	1.4583	342.17
150125	8257	2	1.0000	242.98
170151	21530	2	1.0000	262.64
170156	5150	1	1.0000	367.02
170161	320358	79	1.0000	233.13
170162	56030	10	1.0000	247.93
170171	1251	1	2.5000	359.37
170175	5315	1	1.0000	357.62
170179	5785	2	2.8405	322.91
170193	70952	8	1.0000	272.91
170196	12136	4	1.0000	306.07
170197	1352	1	1.0000	304.69
170200	2347	1	2.5000	295.13
170210	1342	1	1.0000	417.83
190225	7490	5	3.3593	462.28
190226	33895	4	1.0000	299.40
190248	6070	6	1.0000	535.04
190250	23973	9	1.0000	356.99
190253	2436	1	1.0000	410.25
200258	1456	1	0.5000	453.42
220324	4497	1	2.5000	323.13
220364	7164	4	2.6931	361.64
220375	7892	3	1.0000	564.00
220387	23457	2	1.0000	293.43
230491	118131	3	1.0000	372.56
230494	1859	1	2.5000	361.45
230495	4471	1	2.6425	473.44
230496	9784	7	3.3684	346.62
230497	3248	2	2.5000	509.77
230501	36022	12	1.0000	374.57
230505	3413	3	2.5000	483.37
230511	29885	10	1.0000	363.36
240516	17380	3	1.0000	483.46
240546	16066	7	1.0000	361.88
250283	11691	3	1.0000	303.37
250312	7382	1	1.0000	284.36
260396	6730	7	3.3047	458.43
260398	27595	8	1.0000	262.07
260414	15574	7	1.5000	515.19
260417	2189	1	2.5000	410.18
260419	7950	6	1.0000	427.65
270428	1546	1	1.2500	412.94

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Study Area Code	Actual USF Loop Count	Exchange Count	Sample Weight	Actual Cost per Loop
290553	34933	17	1.0000	442.45
290559	22403	1	1.0000	372.68
290565	26509	10	1.0000	438.21
290570	6139	5	1.5000	478.94
300585	865	1	3.0969	499.99
300594	10551	2	1.0000	425.47
300604	1820	1	2.5000	360.98
300609	3830	1	1.0000	391.95
300625	1571	1	2.5000	421.05
300633	732	1	2.5285	455.78
300639	1216	1	2.5000	392.92
300656	1342	1	2.6290	461.45
300659	9873	2	3.0095	392.60
310675	4823	4	1.0000	387.06
310678	1389	1	2.5000	379.36
310688	1464	1	1.0000	484.86
320750	2526	1	2.5000	215.02
320771	701	1	3.0940	567.04
320796	1086	1	3.0281	553.94
320809	1931	3	3.0181	458.75
320818	30370	12	1.0000	445.70
320830	4272	4	3.0407	412.79
320834	3629	1	2.5000	532.75
320837	775	1	3.1579	500.07
320839	1129	1	2.6639	480.85
330842	7037	3	1.0000	276.57
330850	3358	1	2.5000	351.29
330851	2116	1	2.5000	373.56
330875	1254	1	2.5000	338.54
330879	3224	3	5.0666	288.21
330881	33226	2	1.0000	321.78
330925	2333	1	2.5000	443.35
330944	9798	2	1.0000	240.32
330945	3001	2	2.8287	364.72
330946	1157	2	3.6471	486.79
330955	10973	1	1.0000	362.71
330967	3949	1	2.5000	270.67
330968	7734	1	1.0000	331.82
330971	6176	6	2.5000	582.88
340990	232	1	6.7916	504.75
341016	7841	2	1.0000	343.20
341017	1331	1	2.5000	414.88
341024	2439	7	2.8785	539.61
341046	167	1	2.5000	628.34
341054	4429	13	4.6658	701.93
341086	540	1	3.5944	570.48

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 Sample Average Schedule Study Areas
 Underlying data - Cost per Loop Calculation

Study Area Code	Actual USF Loop Count	Exchange Count	Sample Weight	Actual Cost per Loop
341092	89	1	2.5000	531.50
351098	330	1	4.0636	686.45
351101	786	1	3.1525	444.93
351112	1175	3	3.8890	545.32
351115	1995	4	3.5913	550.90
351118	1801	2	3.9410	528.91
351121	140	1	2.5000	685.03
351141	765	1	2.9024	337.62
351147	985	1	2.5000	554.97
351150	622	1	3.2313	725.75
351153	801	1	2.7988	439.04
351157	696	2	3.3948	496.83
351162	1454	2	3.8783	443.02
351169	466	1	3.2177	699.95
351171	1992	1	2.5000	315.61
351173	2566	4	2.5000	585.83
351174	1219	3	2.5000	748.10
351176	699	1	3.5437	534.43
351188	573	1	1.0000	572.78
351203	815	1	2.6588	521.85
351205	1800	2	2.6394	432.60
351206	433	2	7.6519	740.36
351209	1381	3	2.5000	390.57
351212	3378	1	1.0000	389.03
351213	591	2	1.0000	1034.77
351217	997	3	2.7949	980.95
351225	1915	4	3.3230	419.25
351232	681	1	4.6978	475.45
351245	449	1	3.8816	530.73
351248	2207	2	2.5445	224.70
351250	629	1	3.4142	735.44
351260	8789	3	1.0000	502.69
351274	1784	1	1.0000	290.60
351275	216	1	5.2330	396.61
351276	1290	2	4.7795	490.50
351280	382	1	3.4325	722.70
351283	464	1	1.0000	691.97
351291	1736	4	1.0000	680.11
351292	327	1	1.0000	1177.32
351294	558	1	4.4992	817.33
351297	2332	7	3.0300	810.10
351298	13553	6	1.0000	333.08
351306	2586	2	3.1957	188.26
351308	380	1	3.5929	501.77
351309	468	1	1.0000	643.98
351320	625	1	1.0000	731.65

Appendix B
 2006 Average Schedule USF Study
 Sample Average Schedule Study Areas
 Underlying data - Cost per Loop Calculation

Study Area Code	Actual USF Loop Count	Exchange Count	Sample Weight	Actual Cost per Loop
351324	1177	2	4.3112	703.11
351326	770	1	2.5478	839.89
351331	5195	6	1.0000	450.80
351335	358	1	3.3330	307.39
351344	1026	3	4.1958	382.79
351405	2108	7	1.0000	428.16
361358	7290	7	1.0000	427.05
361362	8433	2	1.0000	396.19
361372	201	1	3.2950	456.85
361375	9898	11	1.0000	318.50
361384	284	1	1.0000	498.85
361389	1123	4	3.2058	747.70
361401	1546	10	2.5000	1057.88
361409	12683	1	1.0000	371.46
361423	874	1	2.6072	552.77
361427	35407	1	1.0000	272.79
361430	10497	8	2.7347	428.80
361439	942	3	2.7858	656.91
361479	18500	3	1.0000	329.44
361482	16808	4	1.0000	412.75
361495	795	2	1.0000	564.20
361500	33	1	2.5000	1182.54
361502	2368	2	4.5614	382.64
361505	6373	18	1.5000	704.11
361507	1832	1	2.5000	348.92
361508	1132	1	3.0185	457.76
371530	1583	5	0.5000	644.14
371532	2875	15	0.7500	1112.26
371556	1620	1	0.5000	528.70
371556	1622	1	3.0000	594.62
371562	1315	3	3.0000	852.26
371565	659	2	2.9026	797.24
381601	52	1	2.5000	758.17
381625	5111	16	3.1032	735.29
381631	5069	13	4.7806	572.06
383303	42106	25	1.0000	309.21
391650	12793	1	0.5000	282.26
391650	12793	1	3.0000	282.26
391654	14038	26	0.7500	641.61
391654	14038	26	3.0000	641.61
391657	6565	5	0.5000	446.58
391664	3829	14	0.5000	804.00
391669	2123	6	0.5000	713.24
391669	2123	6	3.0000	713.24
391671	2585	1	1.2500	390.40
391671	2508	1	3.0000	374.49

Appendix B
 2006 Average Schedule USF Study
 Sample Average Schedule Study Areas
 Underlying data - Cost per Loop Calculation

Study Area Code	Actual USF Loop Count	Exchange Count	Sample Weight	Actual Cost per Loop
391677	5220	5	0.5000	452.44
391688	1117	3	1.6963	483.63
401712	7300	8	1.0000	311.90
421932	1516	1	2.5000	480.97
421942	1884	3	2.6786	491.11
431704	1401	1	0.5000	483.70
442038	1426	1	0.5000	347.05
442038	1392	1	3.0000	384.42
442043	909	2	3.0000	544.13
442043	878	2	2.4144	489.40
442107	7652	1	0.5000	432.57
522430	4492	3	2.9999	382.67
532386	1923	1	2.5000	347.39
532396	607	1	3.2954	574.26
532399	7333	1	1.0000	447.29
613026	200	1	1.2500	438.24

Appendix C
2006 Average Schedule USF Study
Comparison of Current and Proposed Monthly HCL Cost per Loop Model Payments

Obs	Study Area Code	Loops	Exch	Loops per Exch	Current Payments	Proposed Cost per Loop	Monthly Payment (Fund Cap Appl.)	Per Loop Payment Difference	Payment Percent Difference
1	100005	846	1	846	3,377	464.98	3,619	0.63	7.17
2	100015	11468	7	1638	24,204	424.00	23,607	0.02	-2.47
3	100019	6330	6	1055	21,589	454.17	23,375	0.39	8.27
4	100020	6893	3	2298	4,259	389.85	1,438	-0.39	-66.24
5	100022	9223	3	3074	0	352.80	0	0.00	0.00
6	120042	476	1	476	3,591	585.36	5,465	0.89	52.19
7	120043	1773	1	1773	3,320	417.02	2,979	-0.18	-10.27
8	132454	23746	1	24799	0	304.13	0	0.00	0.00
9	140053	895	1	895	3,331	462.45	3,706	0.44	11.26
10	140064	3688	6	615	20,060	515.35	26,205	1.73	30.63
11	150076	1472	1	1472	3,675	432.59	3,715	0.07	1.09
12	150088	5403	2	2702	0	368.94	0	0.00	0.00
13	150112	4755	2	2378	2,280	385.71	0	-0.47	-100.00
14	150125	8441	2	4221	0	341.47	0	0.00	0.00
15	170145	3096	1	3096	0	352.58	0	0.00	0.00
16	170151	21182	2	10591	0	304.13	0	0.00	0.00
17	170156	5102	1	5102	0	332.76	0	0.00	0.00
18	170161	311204	79	3939	0	304.13	0	0.00	0.00
19	170162	56260	10	5626	0	304.13	0	0.00	0.00
20	170165	56553	6	9426	0	304.13	0	0.00	0.00
21	170171	1353	1	1353	3,728	438.75	3,866	0.05	3.70
22	170175	5489	1	5489	0	328.94	0	0.00	0.00
23	170179	5930	2	2965	0	355.34	0	0.00	0.00
24	170191	12039	8	1505	29,068	430.88	29,268	0.09	0.69
25	170193	71992	8	8999	0	304.13	0	0.00	0.00
26	170195	514	1	514	3,725	566.22	5,286	3.19	41.91
27	170196	12706	4	3177	0	351.78	0	0.00	0.00
28	170197	1398	1	1398	3,715	436.42	3,818	0.11	2.77
29	170200	2184	1	2184	2,012	395.75	1,154	-0.37	-42.64
30	170204	2968	2	1484	7,258	431.97	7,391	0.16	1.83
31	170210	1397	1	1397	3,714	436.47	3,819	0.12	2.83
32	170215	925	1	925	3,469	460.90	3,753	0.54	8.19
33	170277	39	1	39	664	805.47	984	9.04	48.19
34	190219	4259	2	2130	5,001	398.54	2,894	-0.51	-42.13
35	190220	158	1	158	2,223	745.53	3,396	7.51	52.77
36	190225	7670	5	1534	18,383	429.38	18,024	-0.11	-1.95
37	190226	34668	4	8667	0	304.13	0	0.00	0.00
38	190236	1090	1	1090	3,610	452.36	3,918	0.31	8.53
39	190237	1424	3	475	11,437	585.87	16,395	3.52	43.35
40	190238	1711	5	342	18,019	652.85	26,862	5.14	49.08
41	190239	944	1	944	3,484	459.91	3,779	0.50	8.47
42	190243	2941	2	1471	7,360	432.64	7,430	0.06	0.95
43	190248	6342	6	1057	21,373	454.07	23,385	0.31	9.41
44	190250	25256	9	2806	0	363.56	0	0.00	0.00
45	190253	2274	1	2274	1,818	391.09	627	-0.52	-65.51
46	200258	1479	1	1479	3,651	432.23	3,704	0.12	1.45
47	220324	4430	1	4430	0	339.40	0	0.00	0.00
48	220364	7187	4	1797	12,647	415.77	11,590	-0.09	-8.36
49	220375	7720	3	2573	149	375.62	0	-0.02	-100.00
50	220380	5678	6	946	20,526	459.81	22,702	0.41	10.60
51	220387	22506	2	11253	0	304.13	0	0.00	0.00
52	220389	6757	3	2252	4,336	392.23	2,281	-0.27	-47.39
53	220395	4430	3	1477	10,945	432.33	11,118	0.13	1.58
54	230478	2380	1	2380	1,389	385.61	0	-0.58	-100.00

Appendix C
2006 Average Schedule USF Study
Comparison of Current and Proposed Monthly HCL Cost per Loop Model Payments

Obs	Study Area Code	Loops	Exch	Loops per Exch	Current Payments	Proposed Cost per Loop	Monthly Payment (Fund Cap Appl.)	Per Loop Payment Difference	Payment Percent Difference
55	230491	116484	3	38828	0	304.13	0	0.00	0.00
56	230494	1858	1	1858	2,971	412.62	2,679	-0.09	-9.83
57	230495	4580	1	4580	0	337.92	0	0.00	0.00
58	230496	10098	7	1443	25,822	434.09	26,305	0.11	1.87
59	230497	3292	2	1646	6,955	423.59	6,703	-0.03	-3.62
60	230500	1273	1	1273	3,725	442.89	3,923	0.22	5.32
61	230501	36207	12	3017	0	353.36	0	0.00	0.00
62	230503	14952	6	2492	3,928	379.81	0	-0.26	-100.00
63	230505	3478	3	1159	11,114	448.79	11,830	0.39	6.44
64	230511	30438	10	3044	0	353.09	0	0.00	0.00
65	240515	5303	1	5303	0	330.78	0	0.00	0.00
66	240516	17072	3	5691	0	326.94	0	0.00	0.00
67	240532	625	1	625	3,072	510.31	4,244	2.22	38.15
68	240535	839	1	839	3,276	465.35	3,606	0.54	10.07
69	240536	14336	6	2389	7,231	385.14	0	-0.49	-100.00
70	240541	2269	1	2269	2,027	391.35	658	-0.61	-67.54
71	240546	16640	7	2377	9,163	385.76	0	-0.54	-100.00
72	250283	11818	3	3939	0	344.25	0	0.00	0.00
73	250285	1058	1	1058	3,551	454.01	3,898	0.29	9.77
74	250301	2202	2	1101	7,301	451.79	7,847	0.38	7.48
75	250311	2510	4	628	12,987	508.80	16,807	1.63	29.41
76	250312	7439	1	7439	0	309.68	0	0.00	0.00
77	250322	4681	4	1170	14,732	448.22	15,777	0.28	7.09
78	260396	6473	7	925	24,401	460.90	26,262	0.56	7.63
79	260398	27270	8	3409	0	349.49	0	0.00	0.00
80	260408	6684	3	2228	5,923	393.47	2,705	-0.47	-54.33
81	260412	1415	1	1415	3,667	435.54	3,797	0.25	3.55
82	260414	16077	7	2297	11,870	389.90	3,398	-0.52	-71.37
83	260417	2161	1	2161	2,207	396.94	1,281	-0.41	-41.96
84	260419	7989	6	1332	22,361	439.84	23,300	0.18	4.20
85	270428	1515	1	1515	3,726	430.37	3,641	-0.43	-2.28
86	280451	2044	1	2044	2,683	402.99	1,881	-0.39	-29.89
87	280460	5965	4	1491	14,397	431.61	14,738	0.20	2.37
88	280467	1081	1	1081	3,664	452.82	3,913	0.47	6.80
89	287449	891	1	891	3,415	462.65	3,699	0.56	8.32
90	290553	35410	17	2083	41,353	400.97	28,718	-0.33	-30.55
91	290554	12584	5	2517	4,269	378.52	0	-0.34	-100.00
92	290559	22541	1	22541	0	304.13	0	0.00	0.00
93	290565	27203	10	2720	0	368.01	0	0.00	0.00
94	290570	5890	5	1178	18,476	447.80	19,718	0.31	6.72
95	290584	1846	4	462	15,274	592.41	22,008	3.85	44.09
96	300585	768	1	768	3,176	469.02	3,454	0.64	8.75
97	300586	1313	1	1313	3,727	440.82	3,899	0.22	4.61
98	300588	1194	1	1194	3,670	446.98	3,944	0.17	7.47
99	300589	931	1	931	3,062	460.58	3,761	0.07	22.83
100	300590	1170	3	390	11,383	628.68	16,601	4.87	45.84
101	300591	644	1	815	2,693	466.59	2,811	0.58	4.38
102	300594	10765	2	5383	0	329.99	0	0.00	0.00
103	300604	1818	1	1818	3,172	414.69	2,825	-0.16	-10.94
104	300609	3860	1	3860	0	345.03	0	0.00	0.00
105	300614	853	1	853	3,390	464.62	3,633	0.63	7.17
106	300618	4039	1	4039	0	343.26	0	0.00	0.00
107	300619	1174	1	1174	3,611	448.01	3,943	0.08	9.19
108	300625	1573	1	1573	3,696	427.36	3,524	-0.29	-4.65

Appendix C
2006 Average Schedule USF Study
Comparison of Current and Proposed Monthly HCL Cost per Loop Model Payments

Obs	Study Area Code	Loops	Exch	Loops per Exch	Current Payments	Proposed Cost per Loop	Monthly Payment (Fund Cap Appl.)	Per Loop Payment Difference	Payment Percent Difference
109	300633	737	1	737	3,076	470.62	3,378	0.63	9.82
110	300634	3230	1	3230	0	351.25	0	0.00	0.00
111	300639	1344	1	1344	3,715	439.21	3,874	-0.07	4.28
112	300645	1220	1	1220	3,719	445.63	3,941	0.31	5.97
113	300650	1551	2	776	5,987	468.61	6,940	0.45	15.92
114	300651	404	1	404	3,805	621.63	5,554	4.60	45.97
115	300654	806	1	806	3,119	467.05	3,539	0.48	13.47
116	300656	1415	1	1415	3,722	435.54	3,797	0.00	2.02
117	300659	9927	2	4964	0	334.13	0	0.00	0.00
118	300662	765	1	765	3,124	469.17	3,446	0.59	10.31
119	300663	320	1	362	3,340	642.78	4,822	4.66	44.37
120	300664	890	1	890	3,320	462.71	3,698	0.45	11.39
121	310669	5076	1	5076	0	333.02	0	0.00	0.00
122	310675	4935	4	1234	14,856	444.91	15,748	0.23	6.00
123	310676	6429	4	1780	12,167	416.65	10,674	-0.10	-12.27
124	310678	1381	1	1381	3,696	437.30	3,838	0.25	3.84
125	310688	1458	1	1458	3,711	433.32	3,737	-0.04	0.70
126	310692	770	1	770	3,018	468.92	3,459	0.49	14.61
127	310694	704	1	704	2,910	472.33	3,292	0.58	13.13
128	310703	2477	4	640	13,063	502.76	15,666	0.99	19.93
129	310725	1157	1	1157	3,689	448.89	3,942	0.34	6.86
130	310735	1052	1	1120	3,653	450.81	3,693	0.33	1.09
131	320744	1748	3	583	10,372	531.47	14,182	2.33	36.73
132	320750	2285	1	2285	1,381	390.52	560	-0.33	-59.45
133	320751	2517	2	1259	7,444	443.61	7,855	0.22	5.52
134	320756	1124	1	1124	3,655	450.60	3,933	0.32	7.61
135	320771	553	1	553	2,996	546.58	5,009	5.04	67.19
136	320777	2843	1	2843	0	361.65	0	0.00	0.00
137	320778	2182	1	2182	1,865	395.85	1,164	-0.28	-37.59
138	320790	1519	1	1519	3,469	430.16	3,634	0.34	4.76
139	320792	3004	1	3007	0	353.46	0	0.00	0.00
140	320796	1078	1	1078	3,710	452.98	3,911	0.65	5.42
141	320809	1792	3	597	9,935	524.42	13,749	2.42	38.39
142	320816	467	1	467	3,815	589.89	5,494	3.77	44.01
143	320826	1109	1	1109	3,648	451.37	3,927	0.35	7.65
144	320827	1805	1	1805	3,062	415.36	2,871	-0.02	-6.24
145	320829	4702	1	4702	0	336.71	0	0.00	0.00
146	320830	3413	4	853	13,179	464.62	14,535	0.52	10.29
147	320834	3261	1	3737	0	346.25	0	0.00	0.00
148	320837	794	1	794	3,155	467.67	3,513	0.54	11.35
149	320839	1051	1	1051	3,666	454.38	3,893	0.56	6.19
150	330842	7175	3	2392	2,721	384.99	0	-0.36	-100.00
151	330843	5160	3	1720	9,987	419.76	9,437	-0.05	-5.51
152	330846	4655	2	2328	2,563	388.30	581	-0.40	-77.33
153	330847	891	1	891	3,363	462.65	3,699	0.49	9.99
154	330848	213	2	107	3,227	771.22	4,920	8.16	52.46
155	330849	1465	1	1465	3,672	432.95	3,726	0.10	1.47
156	330850	3346	1	3346	0	350.11	0	0.00	0.00
157	330851	2062	1	2062	2,517	402.06	1,794	-0.33	-28.72
158	330856	3726	2	1863	5,776	412.36	5,321	-0.04	-7.88
159	330863	2293	3	764	9,116	469.23	10,338	0.52	13.41
160	330865	1675	1	1675	3,437	422.09	3,275	-0.05	-4.71
161	330866	1347	2	674	5,851	485.63	7,269	1.32	24.24
162	330868	2468	3	823	9,773	466.17	10,718	0.57	9.67

Appendix C
2006 Average Schedule USF Study
Comparison of Current and Proposed Monthly HCL Cost per Loop Model Payments

Obs	Study Area Code	Loops	Exch	Loops per Exch	Current Payments	Proposed Cost per Loop	Monthly Payment (Fund Cap Appl.)	Per Loop Payment Difference	Payment Percent Difference
163	330872	1846	1	1846	2,986	413.24	2,724	-0.07	-8.77
164	330875	1220	1	1220	3,715	445.63	3,941	0.28	6.08
165	330879	3462	3	1154	10,954	449.05	11,824	0.23	7.94
166	330880	6443	4	1611	14,009	425.40	13,751	0.03	-1.84
167	330881	32713	2	16357	0	304.13	0	0.00	0.00
168	330889	1996	2	998	7,030	457.12	7,690	0.40	9.39
169	330892	1687	1	1687	3,301	421.47	3,241	0.08	-1.82
170	330896	1707	2	854	6,599	464.57	7,265	0.52	10.09
171	330899	2076	2	1038	7,126	455.05	7,765	0.37	8.97
172	330900	3339	2	1670	6,392	422.35	6,575	0.24	2.86
173	330902	2480	2	1240	7,430	444.60	7,872	0.23	5.95
174	330905	2585	2	1293	7,452	441.85	7,821	0.21	4.95
175	330914	6293	5	1259	18,630	443.61	19,638	0.29	5.41
176	330915	5254	1	5254	0	331.26	0	0.00	0.00
177	330925	2407	1	2407	1,149	384.21	0	-0.47	-100.00
178	330930	3836	5	767	15,821	469.07	17,261	0.63	9.10
179	330938	9198	4	2300	6,164	389.75	1,870	-0.45	-69.66
180	330943	3697	2	1849	6,189	413.08	5,423	-0.17	-12.38
181	330944	9216	2	4608	0	337.64	0	0.00	0.00
182	330945	2741	2	1371	7,433	437.82	7,694	0.17	3.51
183	330946	1194	2	597	6,761	524.42	9,161	2.17	35.50
184	330949	2776	1	2776	0	365.12	0	0.00	0.00
185	330951	3038	1	3038	0	353.15	0	0.00	0.00
186	330955	11184	1	11184	0	304.13	0	0.00	0.00
187	330960	4238	6	706	18,127	472.23	19,795	0.67	9.20
188	330962	4792	4	1198	14,822	446.77	15,775	0.28	6.43
189	330966	7604	8	951	27,626	459.55	30,295	0.44	9.66
190	330967	3951	1	3951	0	344.13	0	0.00	0.00
191	330968	7925	1	7925	0	304.88	0	0.00	0.00
192	330970	6520	5	1304	18,631	441.28	19,524	0.24	4.79
193	340976	4262	13	328	46,750	659.91	68,791	5.55	47.15
194	340983	1655	2	870	6,599	463.74	6,969	0.48	5.61
195	340990	530	1	530	3,679	558.16	5,184	2.97	40.91
196	340993	610	1	610	3,249	517.87	4,430	2.20	36.35
197	340998	639	1	639	2,888	503.26	4,059	2.22	40.55
198	341016	7732	2	3866	0	344.97	0	0.00	0.00
199	341017	1282	1	1282	3,727	442.42	3,918	0.25	5.12
200	341021	102	1	102	1,522	773.74	2,372	8.19	55.85
201	341024	2440	7	349	25,872	649.33	37,769	5.41	45.98
202	341029	1512	2	756	6,113	469.64	6,850	0.56	12.06
203	341041	85	1	85	1,293	782.30	2,022	8.40	56.38
204	341046	164	1	164	2,277	742.51	3,494	7.42	53.45
205	341050	3616	1	3616	0	347.44	0	0.00	0.00
206	341053	4151	2	2076	4,865	401.34	3,450	-0.31	-29.09
207	341054	4506	13	347	47,689	650.34	70,034	5.34	46.86
208	341062	608	1	608	3,270	518.88	4,454	2.20	36.21
209	341075	547	1	547	3,609	549.60	5,058	2.79	40.15
210	341086	547	1	547	3,580	549.60	5,058	2.92	41.28
211	341087	743	1	743	3,085	470.31	3,393	0.62	9.98
212	341092	100	1	100	1,509	774.74	2,332	8.23	54.54
213	351097	373	1	373	3,719	637.24	5,492	4.81	47.67
214	351098	374	1	374	3,561	636.74	5,495	3.97	54.31
215	351101	894	1	894	3,307	462.50	3,705	0.42	12.04
216	351107	336	1	336	3,608	655.88	5,339	5.37	47.98

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Obs	Study Area Code	Loops	Exch	Loops per Exch	Current Payments	Proposed Cost per Loop	Monthly Payment (Fund Cap Appl.)	Per Loop Payment Difference	Payment Percent Difference
217	351108	176	1	176	2,535	736.46	3,683	7.51	45.29
218	351112	1076	3	359	11,140	644.29	16,317	5.19	46.47
219	351113	1582	1	1582	3,552	426.90	3,505	0.03	-1.32
220	351114	430	1	430	3,825	608.53	5,560	4.24	45.36
221	351115	2791	4	749	11,702	470.00	12,699	0.58	8.52
222	351118	1793	2	897	6,704	462.34	7,414	0.47	10.59
223	351119	473	1	473	3,805	586.87	5,475	3.75	43.89
224	351121	149	1	149	2,111	750.06	3,244	7.60	53.67
225	351125	5790	3	1930	8,974	408.89	7,180	-0.31	-19.99
226	351126	198	2	99	3,123	775.25	4,623	8.33	48.03
227	351130	804	1	804	3,208	467.16	3,535	0.57	10.19
228	351133	797	4	199	10,950	724.88	16,100	7.18	47.03
229	351136	655	1	655	3,427	495.20	3,874	0.25	13.04
230	351137	601	2	301	6,989	673.50	10,211	6.00	46.10
231	351139	1551	4	388	15,074	629.69	22,105	4.71	46.64
232	351141	790	1	790	3,090	467.88	3,504	0.49	13.40
233	351146	365	1	365	3,691	641.27	5,466	4.89	48.09
234	351147	963	1	963	3,488	458.93	3,804	0.46	9.06
235	351149	278	1	278	3,315	685.09	4,925	6.12	48.57
236	351150	616	1	616	3,205	514.85	4,358	2.14	35.98
237	351152	1516	2	758	6,184	469.54	6,860	0.59	10.93
238	351153	772	1	772	3,082	468.81	3,463	0.54	12.36
239	351157	734	2	367	7,333	640.26	10,946	4.71	49.27
240	351160	1207	2	604	6,677	520.89	8,994	2.10	34.70
241	351162	1368	2	684	5,825	480.60	7,010	1.03	20.34
242	351166	812	1	812	3,139	466.74	3,551	0.48	13.13
243	351168	1820	7	260	21,970	694.16	33,272	6.18	51.44
244	351169	549	1	549	3,489	548.59	5,041	-1.82	44.48
245	351171	2007	1	2007	2,626	404.91	2,056	-0.25	-21.71
246	351172	2396	4	599	13,729	523.41	18,232	1.93	32.80
247	351173	2560	4	640	12,824	502.76	16,191	1.39	26.26
248	351174	1146	3	382	11,387	632.71	16,549	5.18	45.33
249	351175	393	1	393	3,819	627.17	5,539	5.21	45.04
250	351176	715	1	715	2,956	471.76	3,322	0.59	12.38
251	351177	1670	4	418	15,280	614.57	22,222	4.44	45.43
252	351179	326	1	326	3,604	660.91	5,282	5.66	46.56
253	351187	1196	2	598	6,376	523.91	9,138	2.76	43.32
254	351188	587	1	587	3,535	529.45	4,688	1.85	32.62
255	351189	953	2	477	7,587	584.86	10,912	3.77	43.82
256	351191	734	1	734	2,943	470.78	3,371	0.53	14.54
257	351195	2115	4	529	14,613	558.67	20,755	3.13	42.03
258	351199	469	1	469	3,807	588.89	5,488	3.84	44.16
259	351202	740	1	740	2,994	470.47	3,386	0.55	13.09
260	351203	794	1	794	3,265	467.67	3,513	0.65	7.60
261	351205	1758	2	879	6,691	463.28	7,359	0.51	9.98
262	351206	412	2	206	5,527	721.35	8,232	7.04	48.94
263	351209	1460	3	487	11,465	579.82	16,257	2.99	41.80
264	351212	3459	1	3459	0	348.99	0	0.00	0.00
265	351213	337	1	337	3,643	655.37	5,344	5.51	46.69
266	351217	959	3	320	10,625	663.93	15,720	5.57	47.95
267	351220	1894	2	947	6,906	459.76	7,567	0.45	9.57
268	351222	742	1	742	2,915	470.36	3,391	0.48	16.33
269	351223	304	1	304	3,504	671.99	5,136	5.94	46.58
270	351225	1931	4	483	15,138	581.84	21,745	3.66	43.65

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Obs	Study Area Code	Loops	Exch	Loops per Exch	Current Payments	Proposed Cost per Loop	Monthly Payment (Fund Cap Appl.)	Per Loop Payment Difference	Payment Percent Difference
271	351228	275	1	275	3,290	686.60	4,897	6.14	48.84
272	351230	1991	3	664	9,015	490.67	11,288	1.65	25.21
273	351232	362	1	362	3,117	642.78	5,455	11.15	75.01
274	351235	611	1	611	3,379	517.37	4,419	1.75	30.78
275	351237	1535	4	384	15,211	631.70	22,069	6.55	45.09
276	351238	309	1	309	3,442	669.48	5,172	5.56	50.26
277	351239	652	2	326	7,120	660.91	10,564	5.50	48.37
278	351241	798	1	798	3,230	467.47	3,522	0.61	9.04
279	351242	727	1	727	2,976	471.14	3,353	0.57	12.67
280	351243	98	1	98	1,469	775.75	2,291	8.23	55.96
281	351245	429	1	429	3,827	609.03	5,560	4.53	45.28
282	351246	838	2	419	7,636	614.07	11,125	4.36	45.69
283	351247	947	4	237	12,033	705.74	17,998	6.59	49.57
284	351248	2210	2	1105	7,302	451.58	7,851	0.36	7.52
285	351250	642	1	642	3,188	501.75	4,025	1.39	26.25
286	351251	2417	3	806	8,797	467.05	10,611	0.31	20.62
287	351252	5305	1	5305	0	330.76	0	0.00	0.00
288	351257	881	1	881	3,329	463.17	3,683	0.48	10.63
289	351259	2433	7	348	25,742	649.83	37,737	5.37	46.60
290	351260	6280	3	2093	7,027	400.46	4,920	-0.30	-29.98
291	351261	1322	4	331	14,474	658.39	21,212	5.56	46.55
292	351262	727	1	727	3,008	471.14	3,353	0.60	11.47
293	351263	1862	1	1862	3,462	412.41	2,664	-0.61	-23.05
294	351264	740	2	370	7,471	638.75	10,965	5.05	46.77
295	351265	229	1	229	2,891	709.77	4,410	6.58	52.54
296	351266	254	1	254	3,264	697.18	4,691	6.73	43.72
297	351269	526	1	526	3,817	560.18	5,211	0.97	36.52
298	351270	285	1	285	3,351	681.56	4,986	6.02	48.79
299	351271	1993	1	1993	2,482	405.63	2,119	-0.11	-14.63
300	351273	811	1	811	3,191	466.79	3,549	0.53	11.22
301	351274	1801	1	1801	3,229	415.57	2,885	-0.17	-10.65
302	351275	216	1	216	2,823	716.32	4,248	6.83	50.48
303	351276	1313	2	657	6,733	494.20	7,695	0.41	14.29
304	351277	504	1	504	3,756	571.26	5,342	3.28	42.23
305	351278	1174	1	1174	3,536	448.01	3,943	-0.06	11.51
306	351280	390	1	390	3,771	628.68	5,534	4.67	46.75
307	351282	1275	4	319	14,197	664.44	20,940	5.66	47.50
308	351283	477	1	477	3,828	584.86	5,462	3.00	42.69
309	351284	770	1	770	3,222	468.92	3,459	0.68	7.36
310	351285	1067	2	534	7,280	556.15	10,302	3.05	41.51
311	351291	1780	4	445	15,299	600.98	22,174	3.86	44.94
312	351292	362	1	362	2,465	642.78	5,455	1.53	121.30
313	351293	1190	2	595	6,724	525.42	9,205	2.30	36.90
314	351294	545	1	545	3,705	550.61	5,074	2.35	36.95
315	351297	2407	7	344	25,490	651.85	37,638	5.29	47.66
316	351298	12874	5	2575	3,775	375.52	0	-0.30	-100.00
317	351301	766	3	255	10,072	696.67	14,124	6.98	40.23
318	351302	1254	1	1254	3,726	443.87	3,931	0.28	5.50
319	351303	627	2	314	7,094	666.96	10,396	5.80	46.55
320	351304	985	1	985	3,509	457.79	3,830	0.42	9.15
321	351305	767	1	767	2,938	469.07	3,451	0.25	17.46
322	351306	2896	2	1448	7,322	433.83	7,503	0.17	2.47
323	351307	184	1	184	2,574	732.43	3,804	7.34	47.79
324	351308	387	1	387	3,762	630.19	5,528	4.69	46.94

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Obs	Study Area Code	Loops	Exch	Loops per Exch	Current Payments	Proposed Cost per Loop	Monthly Payment (Fund Cap Appl.)	Per Loop Payment Difference	Payment Percent Difference
325	351309	491	1	491	3,809	577.81	5,406	3.12	41.93
326	351310	562	1	562	3,544	542.05	4,931	2.60	39.14
327	351319	2992	6	499	22,416	573.78	32,186	3.57	43.58
328	351320	604	1	604	3,265	520.89	4,501	2.34	37.86
329	351322	466	1	516	3,357	565.21	4,763	3.18	41.88
330	351324	1192	2	596	6,848	524.92	9,183	2.04	34.10
331	351326	757	1	757	3,135	469.59	3,428	0.63	9.35
332	351328	4836	16	302	55,440	673.00	82,012	5.86	47.93
333	351329	1353	1	1353	3,699	438.75	3,866	0.32	4.51
334	351331	5065	6	844	19,800	465.09	21,699	0.55	9.59
335	351332	3955	2	1978	5,855	406.41	4,373	-0.39	-25.31
336	351334	3811	8	476	29,493	585.36	43,755	4.61	48.36
337	351335	355	1	355	3,688	646.31	5,428	5.19	47.18
338	351336	1914	1	1914	2,866	409.72	2,459	-0.16	-14.20
339	351337	6620	16	414	61,200	616.59	88,927	4.65	45.31
340	351342	232	1	232	2,973	708.26	4,446	6.67	49.55
341	351343	647	1	647	3,060	499.23	3,968	1.59	29.67
342	351344	1039	3	346	10,973	650.84	16,181	5.32	47.46
343	351405	2274	7	325	24,131	661.42	36,918	5.06	52.99
344	351424	996	3	332	10,800	657.89	15,950	5.48	47.69
345	361337	802	4	201	10,801	723.87	16,151	7.06	49.53
346	361347	3616	3	1205	11,107	446.41	11,833	0.25	6.54
347	361348	76	1	76	1,139	786.83	1,830	8.48	60.67
348	361353	1333	1	1333	3,726	439.78	3,883	0.20	4.21
349	361356	4904	5	981	17,385	458.00	19,126	0.39	10.01
350	361358	8893	7	1270	24,957	443.04	27,478	-0.28	10.10
351	361362	8809	2	4405	0	339.65	0	0.00	0.00
352	361365	284	1	284	3,375	682.07	4,977	6.12	47.47
353	361372	207	1	207	2,814	720.85	4,130	7.10	46.77
354	361373	10128	10	1013	35,267	456.34	38,590	0.38	9.42
355	361375	9258	11	842	35,982	465.19	39,713	0.53	10.37
356	361380	309	1	309	3,479	669.48	5,172	5.69	48.66
357	361381	242	1	242	3,029	703.22	4,561	6.48	50.58
358	361384	279	1	279	3,327	684.59	4,934	6.13	48.30
359	361389	1118	4	280	13,345	684.08	19,734	6.12	47.88
360	361390	2227	7	318	24,055	664.94	36,645	5.24	52.34
361	361396	3370	4	843	12,963	465.14	14,447	0.49	11.45
362	361401	1563	10	156	22,156	746.54	33,690	7.58	52.06
363	361403	828	1	828	3,085	465.91	3,584	0.38	16.18
364	361404	1011	2	506	7,500	570.25	10,653	3.23	42.04
365	361405	621	3	207	8,093	720.85	12,389	6.85	53.08
366	361408	2009	3	670	9,041	487.65	11,062	1.08	22.35
367	361409	12282	1	12282	0	304.13	0	0.00	0.00
368	361412	4636	3	1545	10,812	428.81	10,751	0.04	-0.56
369	361413	2027	4	507	14,936	569.75	21,295	3.34	42.57
370	361419	337	1	337	3,574	655.37	5,344	5.19	49.52
371	361422	1928	1	1928	3,082	409.00	2,402	-0.38	-22.06
372	361423	925	1	925	3,363	460.90	3,753	0.40	11.60
373	361424	792	2	396	7,544	625.66	11,088	4.53	46.98
374	361425	1646	1	1646	3,463	423.59	3,352	-0.01	-3.21
375	361426	603	2	302	6,958	673.00	10,226	5.93	46.97
376	361427	32096	1	32096	0	304.13	0	0.00	0.00
377	361430	10874	8	1359	29,777	438.44	30,889	0.17	3.73
378	361431	2849	4	712	11,801	471.92	13,260	0.59	12.36

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Obs	Study Area Code	Loops	Exch	Loops per Exch	Current Payments	Proposed Cost per Loop	Monthly Payment (Fund Cap Appl.)	Per Loop Payment Difference	Payment Percent Difference
379	361439	964	3	321	10,625	663.43	15,772	5.54	48.44
380	361440	2063	4	516	14,831	565.21	21,088	3.24	42.19
381	361443	12618	9	1402	33,353	436.21	34,319	0.14	2.90
382	361448	1935	1	1935	2,910	408.63	2,372	-0.26	-18.49
383	361450	4629	6	772	17,864	468.81	20,764	0.45	16.23
384	361472	7648	10	765	30,701	469.17	34,456	0.55	12.23
385	361474	580	1	580	3,508	532.98	4,760	2.20	35.69
386	361475	4663	9	518	33,382	564.21	47,373	3.16	41.91
387	361476	490	1	490	3,773	578.31	5,410	3.57	43.39
388	361479	19243	3	6414	0	319.80	0	0.00	0.00
389	361485	1320	2	660	6,196	492.69	7,629	1.14	23.13
390	361487	1824	1	1824	3,488	414.38	2,804	-0.54	-19.61
391	361494	1157	1	1157	3,668	448.89	3,942	0.27	7.47
392	361495	809	2	405	7,592	621.12	11,096	4.46	46.15
393	361499	2546	1	2546	242	377.02	0	-0.09	-100.00
394	361500	44	1	44	618	802.95	1,104	8.83	78.64
395	361502	2431	2	1216	7,401	445.84	7,880	0.22	6.47
396	361505	6419	18	357	66,129	645.30	97,745	5.03	47.81
397	361507	1666	1	1666	3,340	422.55	3,299	0.09	-1.23
398	361508	1139	1	1139	3,672	449.82	3,938	0.33	7.24
399	361510	1365	5	273	16,245	687.61	24,395	6.07	50.17
400	361512	178	1	178	2,465	735.46	3,714	7.32	50.67
401	361515	2237	1	2237	1,904	393.01	850	-0.46	-55.36
402	361654	1672	3	557	10,808	544.56	14,933	2.51	38.17
403	371530	1613	5	323	17,792	662.42	26,288	5.55	47.75
404	371532	2984	15	199	39,980	724.88	60,280	7.05	50.78
405	371555	6055	9	673	26,389	486.14	32,845	1.19	24.46
406	371562	1251	3	417	11,467	615.08	16,687	4.65	45.52
407	371563	1164	2	582	6,831	531.97	9,480	2.51	38.78
408	371565	686	2	343	7,076	652.35	10,748	4.85	51.89
409	371581	1805	2	903	6,893	462.03	7,434	0.57	7.85
410	371590	96	1	96	1,469	776.76	2,251	8.30	53.23
411	381509	320	2	160	4,584	744.52	6,857	7.58	49.59
412	381601	49	1	49	771	800.43	1,221	8.86	58.37
413	381614	1477	5	295	17,147	676.53	25,374	5.96	47.98
414	381615	2029	4	507	14,995	569.75	21,316	3.24	42.15
415	381622	978	2	489	7,579	578.81	10,828	3.39	42.87
416	381625	5295	15	353	54,895	647.31	81,294	5.10	48.09
417	381631	3872	10	387	38,137	630.19	55,304	5.27	45.01
418	381638	1061	3	354	11,054	646.81	16,256	5.22	47.06
419	383303	38847	25	1554	89,014	428.35	89,119	0.10	0.12
420	391640	1623	3	541	10,893	552.62	15,313	2.88	40.58
421	391642	3180	5	636	16,995	504.77	20,493	0.89	20.58
422	391649	1479	1	1479	3,688	432.23	3,704	0.01	0.43
423	391650	12709	1	12709	0	304.13	0	0.00	0.00
424	391653	381	1	381	3,743	633.21	5,514	4.73	47.31
425	391654	14241	26	548	93,809	549.10	131,230	2.76	39.89
426	391657	7776	5	1555	18,523	428.30	17,818	-0.28	-3.81
427	391660	6397	8	800	25,158	467.36	28,192	0.52	12.06
428	391664	3955	14	283	46,275	682.57	69,437	5.95	50.05
429	391669	2149	6	358	21,987	644.80	32,657	4.94	48.53
430	391671	2523	1	2523	1,272	378.21	0	-0.52	-100.00
431	391674	1996	8	250	24,740	699.19	37,117	6.38	50.03
432	391677	5366	5	1073	24,116	453.24	19,545	-0.36	-18.95

Appendix C
 2006 Average Schedule USF Study
 Comparison of Current and Proposed Monthly HCL Cost per Loop Model Payments

Obs	Study Area Code	Loops	Exch	Loops per Exch	Current Payments	Proposed Cost per Loop	Monthly Payment (Fund Cap Appl.)	Per Loop Payment Difference	Payment Percent Difference
433	391682	417	2	209	5,251	719.84	8,293	6.66	57.93
434	391684	1764	2	882	6,640	463.12	7,369	0.47	10.98
435	391688	1123	3	374	11,314	636.74	16,500	5.21	45.84
436	401710	1039	2	520	7,378	563.20	10,490	3.23	42.18
437	401712	7418	8	927	27,204	460.79	30,052	0.44	10.47
438	401722	4396	8	550	28,859	548.09	40,231	2.70	39.41
439	421206	1136	4	284	13,465	682.07	19,909	6.09	47.86
440	421759	2591	6	432	22,975	607.52	33,336	4.34	45.10
441	421860	359	1	359	3,713	644.29	5,444	5.21	46.62
442	421876	198	1	198	2,565	725.38	4,006	6.87	56.18
443	421893	610	1	610	3,307	517.87	4,430	2.02	33.96
444	421900	1500	4	375	15,092	636.23	21,991	5.14	45.71
445	421932	1495	1	1495	3,681	431.40	3,677	-0.01	-0.11
446	421936	549	1	549	3,692	548.59	5,041	2.29	36.54
447	421942	1851	3	617	9,335	514.34	13,036	2.37	39.65
448	431704	1370	1	1370	3,707	437.87	3,849	0.23	3.83
449	431968	1868	1	1868	3,103	412.10	2,641	-0.23	-14.89
450	432141	723	3	241	9,109	703.73	13,650	6.54	49.85
451	442038	1405	1	1405	3,695	436.06	3,810	0.19	3.11
452	442043	861	2	431	7,655	608.03	11,105	4.35	45.07
453	442107	7936	1	7936	0	304.77	0	0.00	0.00
454	462198	967	1	967	3,426	458.72	3,809	0.36	11.18
455	462206	77	1	77	1,209	786.33	1,851	8.54	53.10
456	462210	66	1	66	1,024	791.87	1,610	8.64	57.23
457	472227	1624	5	325	17,870	661.42	26,366	5.57	47.54
458	482252	3672	2	1836	5,369	413.76	5,522	0.19	2.85
459	502279	1657	1	1657	3,658	423.02	3,323	-0.40	-9.16
460	502282	1569	1	1569	3,640	427.57	3,533	-0.11	-2.94
461	502283	1641	3	547	10,845	549.60	15,173	2.75	39.91
462	522430	4431	3	1477	11,062	432.33	11,120	0.02	0.52
463	532386	2020	1	2020	2,860	404.23	1,995	-0.45	-30.24
464	532396	635	1	635	3,291	505.28	4,112	1.28	24.95
465	532399	7701	1	7701	0	307.09	0	0.00	0.00
466	613005	44	1	44	817	802.95	1,104	9.07	35.13
467	613026	167	1	167	2,698	741.00	3,542	8.11	31.28
Total:					3,772,195		4,673,427		

Appendix D

NECA 2007 Modification of the Average Schedule Universal Service 2007 Expense Adjustment per Loop High Cost Loop Support Model

I. Expense Adjustment per Loop Formula

The Commission has determined in previous orders regarding average schedule HCL payments that the Cost per Loop model be used to determine HCL support instead of the EAPL model proposed by NECA in the past. In this study NECA is proposing the Cost per Loop model but also offers an updated EAPL model as evidence of the increase in average schedule costs, and to support the need for increases in payment levels. Over the past few years the levels of payments pursuant to the EAPL and CPL models have been converging. Payments are now close enough that NECA has decided to propose the CPL model instead of the EAPL model. While NECA continues to include the EAPL model in this filing for comparison, NECA expects not to file this model in its 2007 filing.

Having determined individual cost per loop (CPL) amounts for each of the 200 sample companies providing account data, it is then possible for NECA to determine with a high degree of precision the HCL expense adjustment that each sample company would receive if it were to perform cost studies pursuant to Part 36 of the Commission's rules.

The following expressions show how expense adjustment per loop is computed from CPL of each sample study area, following Section 36.631 of the Commission's rules¹.

¹ 47 C.F.R. § 36.631.

Exhibit D1

Calculation Of Sample Study Area Expense Adjustment per Loop (EAPL)

National Average Cost Per Loop (NACPL) = \$240.00²

For study areas with count of working loops $\leq 200,000$,

$$\begin{aligned} & \text{If } (115\% \times \text{NACPL}) < \text{CPL} \leq (150\% \times \text{NACPL}), \text{ then} \\ & \text{EAPL} = 0.65 \times (\text{CPL} - 115\% \times \text{NACPL}) \end{aligned} \quad [1]$$

$$\begin{aligned} & \text{If } \text{CPL} > 150\% \times \text{NACPL}, \text{ then} \\ & \text{EAPL} = 0.65 \times (150\% \times \text{NACPL} - 115\% \times \text{NACPL}) + \\ & \quad 0.75 \times (\text{CPL} - 150\% \times \text{NACPL}) \end{aligned} \quad [2]$$

$$\text{If } \text{CPL} \leq 115\% \times \text{NACPL}, \text{ then } \text{EAPL} = 0 \quad [3]$$

For study areas with count of working loops $> 200,000$ ³,

$$\begin{aligned} & \text{If } (115\% \times \text{NACPL}) < \text{CPL} \leq (160\% \times \text{NACPL}), \text{ then} \\ & \text{EAPL} = 0.10 \times (\text{CPL} - 115\% \times \text{NACPL}) \end{aligned} \quad [4]$$

$$\begin{aligned} & \text{If } (160\% \times \text{NACPL}) < \text{CPL} \leq (200\% \times \text{NACPL}), \text{ then} \\ & \text{EAPL} = 0.10 \times (160\% \times \text{NACPL} - 115\% \times \text{NACPL}) + \\ & \quad 0.30 \times (\text{CPL} - 160\% \times \text{NACPL}) \end{aligned} \quad [5]$$

$$\begin{aligned} & \text{If } (200\% \times \text{NACPL}) < \text{CPL} \leq (250\% \times \text{NACPL}), \text{ then} \\ & \text{EAPL} = 0.10 \times (160\% \times \text{NACPL} - 115\% \times \text{NACPL}) + \\ & \quad 0.30 \times (200\% \times \text{NACPL} - 160\% \times \text{NACPL}) + \\ & \quad 0.60 \times (\text{CPL} - 200\% \times \text{NACPL}) \end{aligned} \quad [6]$$

$$\begin{aligned} & \text{If } \text{CPL} > (250\% \times \text{NACPL}), \text{ then} \\ & \text{EAPL} = 0.10 \times (160\% \times \text{NACPL} - 115\% \times \text{NACPL}) + \\ & \quad 0.30 \times (200\% \times \text{NACPL} - 160\% \times \text{NACPL}) + \\ & \quad 0.60 \times (250\% \times \text{NACPL} - 200\% \times \text{NACPL}) + \\ & \quad 0.75 \times (\text{CPL} - 250\% \times \text{NACPL}) \end{aligned} \quad [7]$$

$$\text{If } \text{CPL} \leq 115\% \times \text{NACPL}, \text{ then } \text{EAPL} = 0$$

² See Federal-State Joint Board on Universal Service, CC Docket No. 96-45, Multi Association Group (MAG) Plan for Regulation of Interstate Services of Non-Price Cap Incumbent Local Exchange Carriers and Interexchange Carriers, CC Docket No. 00-256, *Fourteenth Report and Order, Twenty-Second Order On Reconsideration and Further Notice of Proposed Rulemaking in CC Docket No. 96-45, and Report and Order in CC Docket No. 00-256*, 16 FCC Rcd 11244 at ¶¶ 55-59 (2001) (*RTF Order*), which prescribes use of \$240.00 as the uncapped NACPL for rural companies for next five years.

³ According to Part 36 rules, a different calculation is used for study areas with more than 200,000 working loops. There is one average schedule study area that falls in this category.

These calculations were performed for each sample average schedule study area, producing an EAPL value based on its individual cost. These amounts are equivalent to the amounts that each sample company would receive if it were to conduct cost studies and submit HCL data to NECA pursuant to Part 36 of the Commission's rules. These data further show that sample companies, as a group, would be entitled to receive \$101.9 million in uncapped HCL expense adjustments in 2007.

Finally, NECA estimated the amount of HCL payments to which the entire population of average schedule companies (sample and non-sample) would be entitled if they were to conduct the necessary cost studies. This estimate was calculated by using the sample weights described in Section C. As discussed in that section, use of sample weights in this manner produces an unbiased estimate of population totals from sample data.

Based on this calculation, the total uncapped expense adjustment amount that would be payable to the population of average schedules based on cost studies would be \$172.5 million in 2007.

This model was developed using a ratio estimation method, and by ordinary statistical regression methods, both with weighting to moderate the influence of statistical outliers. NECA has used these methods in average schedule studies since 1998.

NECA's EAPL model consists of four connected straight lines, representing each of the loops per exchange size groups as described in Section D3. In addition, NECA determined a support

component of the formula for study areas with more than 200,000 loops. Next, NECA used linear regression to solve for other parameters of the model. The regression model is specified as follows (LPE designates each study area's loops per exchange ratio and EAPL designates the study area's expense adjustment per loop).

$$EAPL_i = [a_1 + b_1(LPE_i)]\delta_{1i} + [a_2 + b_2(LPE_i)]\delta_{2i} + [a_3 + b_3(LPE_i)]\delta_{3i}$$

where: $\delta_{1i} = 1$, if $LPE_i < BP_1$, and $\delta_{1i} = 0$ otherwise

$\delta_{2i} = 1$, if $BP_1 \leq LPE_i < BP_2$, and $\delta_{2i} = 0$ otherwise

$\delta_{3i} = 1$, if $BP_2 \leq LPE_i < \text{Payment Limit}$ and $\delta_{3i} = 0$ otherwise

The model is constrained at the breakpoints, BP_1 , BP_2 and *Payment Limit*, so that:

$$a_1 + b_1 \cdot BP_1 = a_2 + b_2 \cdot BP_1$$

$$a_2 + b_2 \cdot BP_2 = a_3 + b_3 \cdot BP_2$$

$$\text{and } a_3 + b_3 \cdot \text{Payment Limit} = 18.28$$

The expense adjustment per loop of \$18.28 is the average expense adjustment of sample companies with more than 50,000 loops or loops per exchange exciding 8000, calculated using the standard weighted ratio estimation method.

The regression model that includes these linear constraints estimates the parameters. Following is the resulting model:

Exhibit D2

Expense Adjustment per Loop Regression Formula

If number of USF loops is less than 50,000 and,

If Loops per Exchange is less than 700, then:

Expense Adjustment per Loop = $\$397.158926 - \$0.366128 \times \text{Loops per Exchange}$

If Loops per Exchange is greater or equal 700 and Loops per Exchange less than 3,000 then:

Expense Adjustment per Loop = $\$167.057334 - \$0.037411 \times \text{Loops per Exchange}$

If Loops per Exchange is greater or equal 3,000 and Loops per Exchange less than 8,000 then:

Expense Adjustment per Loop = $\$76.750285 - \$0.007309 \times \text{Loops per Exchange}$

If number of USF loops is greater than 50,000 but less than 200,000 or if Loops per Exchange is greater than or equal to 8000, then:

Expense Adjustment per Loop = $\$18.28$

If number of USF loops is greater than 200,000 then:

Expense Adjustment per Loop = $\$0.00$

II. Deriving USF Loop Costs for the Population of Average Schedule Companies

FCC rules require NECA to file HCL data in the form of loop counts and cost per loop (CPL) for each study area.⁴ To meet this requirement, while accurately applying the Expense Adjustment formula, NECA developed a one-to-one equivalence between a study area's EAPL and a CPL value. NECA uses the derived CPL values in the USF data submission.

⁴ 47 C.F.R. §36.613 (a) (1).

To determine derived CPL values, NECA analyzed the relationship between filed CPL data and the expense adjustment amounts calculated from these data. Based on this relationship, NECA determined the derived CPL values that precisely corresponded to the EAPL formula, by the following steps.

In Exhibit D1, NECA identified the equations used to calculate EAPL from CPL data. For study areas with fewer than 200,000 loops, these equations use the NACPL value of \$240.00, threshold levels of 115% and 150%, and payment percentages of 65% and 75%. For study areas with more than 200,000 loops threshold levels are 115%, 160%, 200% and 250%, and payments percentages are 10%, 30%, 60% and 75%. The equations prescribe the assignment of each study area to one of seven cost per loop bands in order to calculate EAPL from CPL. Accordingly, NECA analyzes its average schedule EAPL formula in the same seven bands. The EAPL used in these calculations is calculated as follows:

$$\text{Expense Adjustment Per Loop} = \frac{\text{Formula Expense Adjustment}}{\text{December 2005 Loops}}$$

NECA used equations from Exhibit D3 to determine limits of EAPL bands that correspond to cost per loop bands. Equations [8] through [10] show this derivation for study areas with fewer than 200,000 loops using Equations [1] through [3]. Equation [11] shows the derivation of cost per loop for study areas with more than 200,000 loops.

Exhibit D3

Expense Adjustment Band Boundaries

$$1.15 \times NACPL < CPL \leq 1.50 \times NACPL$$

$$\Rightarrow (1.15 \times NACPL - 1.15 \times NACPL) < (CPL - 1.15 \times NACPL)$$

$$\leq (1.50 \times NACPL - 1.15 \times NACPL)$$

$$\Rightarrow 0.65 \times (0) < 0.65 \times (CPL - 1.15 \times NACPL) \leq 0.65 \times (0.35 \times NACPL)$$

$$\Rightarrow 0 < EAPL \leq 0.65 \times (0.35 \times NACPL) \quad [8]$$

From this relationship, the lower bound of expense adjustment for study areas with CPL greater than 150% of NACPL is $0.65 \times (0.35 \times NACPL)$. NECA used this lower bound to solve for the CPL formula in each of the three cost per loop bands.

Exhibit D4 shows the derivation of the CPL formula in the band of CPL values between 115% and 150% of the NACPL, using equations [1] and [8].

Exhibit D4

Derived Cost Per Loop For $0 < EAPL \leq 0.65 \times 0.35 \times NACPL$

$$\text{If } 0 < EAPL \leq (0.65 \times 0.35 \times NACPL)$$

$$\text{Then } EAPL = 0.65 \times (CPL - 1.15 \times NACPL)$$

$$\Rightarrow \text{Derived CPL} = \frac{EAPL}{0.65} + 1.15 \times NACPL$$

$$\Rightarrow \text{Derived CPL} = \frac{EAPL}{0.65} + 276 \quad [9]$$

Similarly, Exhibit D5 shows the derivation of the CPL formula in the band of values exceeding 150% of the NACPL.

Exhibit D5

Derived Cost Per Loop Formula For $EAPL > 0.65 \times 0.35 \times NACPL$

$$\text{If } 0.65 \times 0.35 \times NACPL < EAPL$$

$$\text{Then Derived CPL} = \frac{EAPL - 0.65 \times 0.35 \times NACPL}{0.75} + 1.50 \times NACPL$$

$$\Rightarrow \text{Derived CPL} = \frac{EAPL - 54.6}{0.75} + 360 \quad [10]$$

Equations [9] and [10] define the derived CPL formula for bands with expense adjustment greater than zero. These formulas connect continuously at the band boundaries. Because the data submission requires a CPL value for every exchange carrier, NECA also develops the CPL formula for the band with EAPL equal to zero. Because every CPL value in this band produces a zero expense adjustment, this band does not have an inherent one-to-one match between expense adjustment and loop cost. Consequently, NECA has tested a best-fit regression method to obtain this part of the loop cost formula.

Because the slope of the regression model was not statistically significant NECA used the overall average CPL for study areas with loops exceeding 200,000 as their derived CPL.

$$\text{Derived CPL} = 233.13 \quad [11]$$

The EAPL formula, derived using equations [9], [10], and [11], is shown in Exhibit D2.

III. Support payments according to the Expense Adjustment per Loop formula

Using the expense adjustment regression model, the uncapped NACPL of \$240, and December 2005 loops and exchange counts⁵, NECA calculated formula expense adjustments for each member of the average schedule population. By this calculation, expense adjustments to average schedule companies would total \$166.6 million. Because of the fund cap, the payment would be \$57.6 million. These payments are slightly higher than those proposed by NECA based on the CPL model.

⁵ For a few average schedule study areas, which had acquired exchanges with support restricted by §54.305 of commission rules, NECA reduced these data to exclude the acquired exchanges.

Appendix E
2006 Average Schedule USF Study
Comparison of Current Monthly Payments and 2007 HCL Expense Adjustment per Loop Model Payments

Obs	Study Area Code	Loops	Exch	Loops per Exch	Current Payments	Formula Exp. Adj. Uncapped Payments	Cost per Loop	Monthly Payment (Fund Cap Appl.)	Per Loop Payment Diff.	Payment Percent Difference
1	100005	846	1	846	3,377	9,546	467.74	3,746	0.79	10.93
2	100015	11468	7	1638	24,204	101,089	428.24	26,239	0.25	8.41
3	100019	6330	6	1055	21,589	67,303	457.32	24,454	0.56	13.27
4	100020	6893	3	2298	4,259	46,578	395.32	3,479	-0.09	-18.31
5	100022	9223	3	3074	0	41,721	359.51	0	0.00	0.00
6	120042	476	1	476	3,591	8,841	584.38	5,436	0.83	51.38
7	120043	1773	1	1773	3,320	14,883	421.50	3,410	0.06	2.71
8	132454	23746	1	24799	0	36,173	304.12	0	0.00	0.00
9	140053	895	1	895	3,331	9,962	465.30	3,845	0.60	15.43
10	140064	3688	6	615	20,060	52,858	516.52	26,475	1.81	31.98
11	150076	1472	1	1472	3,675	13,737	436.52	4,028	0.28	9.61
12	150088	5403	2	2702	0	29,704	375.16	0	0.00	0.00
13	150112	4755	2	2378	2,280	30,945	391.33	1,372	-0.18	-39.82
14	150125	8441	2	4221	0	32,286	346.61	0	0.00	0.00
15	170145	3096	1	3096	0	13,963	359.26	0	0.00	0.00
16	170151	21182	2	10591	0	32,267	304.12	0	0.00	0.00
17	170156	5102	1	5102	0	16,777	336.71	0	0.00	0.00
18	170161	311204	79	3939	0	0	233.13	0	0.00	0.00
19	170162	56260	10	5626	0	85,703	304.12	0	0.00	0.00
20	170165	56553	6	9426	0	86,149	304.12	0	0.00	0.00
21	170171	1353	1	1353	3,728	13,129	442.45	4,138	0.25	11.00
22	170175	5489	1	5489	0	16,756	332.36	0	0.00	0.00
23	170179	5930	2	2965	0	27,739	362.05	0	0.00	0.00
24	170191	12039	8	1505	29,068	111,114	434.87	31,872	0.30	9.65
25	170193	71992	8	8999	0	109,668	304.12	0	0.00	0.00
26	170195	514	1	514	3,725	8,951	565.83	5,274	3.17	41.58
27	170196	12706	4	3177	0	56,679	358.35	0	0.00	0.00
28	170197	1398	1	1398	3,715	13,369	440.21	4,105	0.31	10.50
29	170200	2184	1	2184	2,012	15,534	401.00	1,775	-0.08	-11.78
30	170204	2968	2	1484	7,258	27,587	435.92	8,026	0.37	10.58
31	170210	1397	1	1397	3,714	13,364	440.26	4,106	0.32	10.55
32	170215	925	1	925	3,469	10,210	463.80	3,898	0.69	12.37
33	170277	39	1	39	664	1,244	797.71	965	8.55	45.33
34	190219	4259	2	2130	5,001	31,010	403.70	4,083	-0.23	-18.36

Appendix E
2006 Average Schedule USF Study
Comparison of Current Monthly Payments and 2007 HCL Expense Adjustment per Loop Model Payments

Obs	Study Area Code	Loops	Exch	Loops per Exch	Current Payments	Formula Exp. Adj. Uncapped Payments	Cost per Loop	Monthly Payment (Fund Cap Appl.)	Per Loop Payment Diff.	Payment Percent Difference
35	190220	158	1	158	2,223	4,468	739.61	3,337	7.14	50.11
36	190225	7670	5	1534	18,383	70,097	433.43	19,704	0.11	7.19
37	190226	34668	4	8667	0	52,811	304.12	0	0.00	0.00
38	190236	1090	1	1090	3,610	11,470	455.57	4,108	0.49	13.80
39	190237	1424	3	475	11,437	26,492	584.86	16,305	3.45	42.56
40	190238	1711	5	342	18,019	38,775	649.79	26,534	4.95	47.26
41	190239	944	1	944	3,484	10,364	462.86	3,930	0.66	12.80
42	190243	2941	2	1471	7,360	27,456	436.57	8,056	0.27	9.46
43	190248	6342	6	1057	21,373	67,391	457.22	24,466	0.48	14.47
44	190250	25256	9	2806	0	130,662	369.98	0	0.00	0.00
45	190253	2274	1	2274	1,818	15,536	396.51	1,295	-0.22	-28.77
46	200258	1479	1	1479	3,651	13,770	436.17	4,019	0.33	10.08
47	220324	4430	1	4430	0	16,380	344.26	0	0.00	0.00
48	220364	7187	4	1797	12,647	59,790	420.31	13,356	0.16	5.61
49	220375	7720	3	2573	149	45,547	381.60	0	-0.02	-100.00
50	220380	5678	6	946	20,526	62,300	462.76	23,608	0.57	15.02
51	220387	22506	2	11253	0	34,284	304.12	0	0.00	0.00
52	220389	6757	3	2252	4,336	46,628	397.61	4,250	0.02	-1.98
53	220395	4430	3	1477	10,945	41,273	436.27	12,063	0.34	10.21
54	230478	2380	1	2380	1,389	15,474	391.23	674	-0.30	-51.48
55	230491	116484	3	38828	0	177,444	304.12	0	0.00	0.00
56	230494	1858	1	1858	2,971	15,104	417.26	3,147	0.16	5.92
57	230495	4580	1	4580	0	16,517	342.58	0	0.00	0.00
58	230496	10098	7	1443	25,822	95,151	437.96	28,425	0.32	10.08
59	230497	3292	2	1646	6,955	28,936	427.84	7,461	0.20	7.28
60	230500	1273	1	1273	3,725	12,670	446.44	4,168	0.41	11.89
61	230501	36207	12	3017	0	165,041	360.13	0	0.00	0.00
62	230503	14952	6	2492	3,928	91,991	385.64	0	-0.26	-100.00
63	230505	3478	3	1159	11,114	35,852	452.13	12,459	0.57	12.10
64	230511	30438	10	3044	0	138,244	359.85	0	0.00	0.00
65	240515	5303	1	5303	0	16,789	334.45	0	0.00	0.00
66	240516	17072	3	5691	0	50,014	330.08	0	0.00	0.00
67	240532	625	1	625	3,072	8,767	511.64	4,296	2.30	39.84
68	240535	839	1	839	3,276	9,486	468.09	3,731	0.69	13.89

Appendix E
 2006 Average Schedule USF Study
 Comparison of Current Monthly Payments and 2007 HCL Expense Adjustment per Loop Model Payments

Obs	Study Area Code	Loops	Exch	Loops per Exch	Current Payments	Formula Exp. Adj. Uncapped Payments	Cost per Loop	Monthly Payment (Fund Cap Appl.)	Per Loop Payment Diff.	Payment Percent Difference
69	240536	14336	6	2389	7,231	92,805	390.78	3,711	-0.24	-48.68
70	240541	2269	1	2269	2,027	15,537	396.76	1,323	-0.32	-34.73
71	240546	16640	7	2377	9,163	108,342	391.38	4,847	-0.25	-47.10
72	250283	11818	3	3939	0	47,233	349.79	0	0.00	0.00
73	250285	1058	1	1058	3,551	11,239	457.17	4,079	0.46	14.87
74	250301	2202	2	1101	7,301	23,097	455.02	8,233	0.55	12.77
75	250311	2510	4	628	12,987	34,979	510.17	17,023	1.72	31.08
76	250312	7439	1	7439	0	13,873	310.43	0	0.00	0.00
77	250322	4681	4	1170	14,732	48,092	451.58	16,629	0.46	12.88
78	260396	6473	7	925	24,401	71,447	463.80	27,280	0.72	11.80
79	260398	27270	8	3409	0	117,793	355.74	0	0.00	0.00
80	260408	6684	3	2228	5,923	46,624	398.81	4,638	-0.18	-21.70
81	260412	1415	1	1415	3,667	13,457	439.36	4,090	0.46	11.54
82	260414	16077	7	2297	11,870	108,686	395.37	8,158	-0.22	-31.27
83	260417	2161	1	2161	2,207	15,525	402.15	1,891	-0.13	-14.32
84	260419	7989	6	1332	22,361	78,043	443.50	24,884	0.38	11.28
85	270428	1515	1	1515	3,726	13,935	434.37	3,970	-0.22	6.55
86	280451	2044	1	2044	2,683	15,430	407.99	2,434	-0.12	-9.28
87	280460	5965	4	1491	14,397	55,314	435.57	16,017	0.42	11.25
88	280467	1081	1	1081	3,664	11,406	456.02	4,100	0.64	11.90
89	287449	891	1	891	3,415	9,929	465.50	3,837	0.71	12.36
90	290553	35410	17	2083	41,353	263,008	406.04	38,443	-0.06	-7.04
91	290554	12584	5	2517	4,269	76,441	384.39	0	-0.34	-100.00
92	290559	22541	1	22541	0	34,337	304.12	0	0.00	0.00
93	290565	27203	10	2720	0	148,028	374.27	0	0.00	0.00
94	290570	5890	5	1178	18,476	60,366	451.18	20,797	0.49	12.56
95	290584	1846	4	462	15,274	35,075	591.21	21,869	3.77	43.18
96	300585	768	1	768	3,176	8,853	471.63	3,563	0.78	12.19
97	300586	1313	1	1313	3,727	12,904	444.45	4,157	0.42	11.54
98	300588	1194	1	1194	3,670	12,178	450.39	4,164	0.35	13.46
99	300589	931	1	931	3,062	10,259	463.50	3,909	0.23	27.66
100	300590	1170	3	390	11,383	24,801	626.36	16,431	4.73	44.35
101	300591	644	1	644	2,693	7,329	469.29	2,906	0.73	7.91
102	300594	10765	2	5383	0	33,556	333.55	0	0.00	0.00

Appendix E
 2006 Average Schedule USF Study
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Obs	Study Area Code	Loops	Exch	Loops per Exch	Current Payments	Formula Exp. Adj. Uncapped Payments	Cost per Loop	Monthly Payment (Fund Cap Appl.)	Per Loop Payment Diff.	Payment Percent Difference
103	300604	1818	1	1818	3,172	15,005	419.26	3,275	0.09	3.25
104	300609	3860	1	3860	0	15,613	350.67	0	0.00	0.00
105	300614	853	1	853	3,390	9,607	467.39	3,761	0.78	10.94
106	300618	4039	1	4039	0	15,897	348.66	0	0.00	0.00
107	300619	1174	1	1174	3,611	12,047	451.38	4,158	0.26	15.15
108	300625	1573	1	1573	3,696	14,185	431.48	3,875	-0.07	4.84
109	300633	737	1	737	3,076	8,567	473.18	3,480	0.77	13.13
110	300634	3230	1	3230	0	14,304	357.76	0	0.00	0.00
111	300639	1344	1	1344	3,715	13,079	442.90	4,143	0.13	11.52
112	300645	1220	1	1220	3,719	12,344	449.09	4,169	0.50	12.10
113	300650	1551	2	776	5,987	17,840	471.24	7,161	0.59	19.61
114	300651	404	1	404	3,805	8,391	619.52	5,501	4.47	44.57
115	300654	806	1	806	3,119	9,195	469.74	3,656	0.62	17.22
116	300656	1415	1	1415	3,722	13,457	439.36	4,090	0.21	9.89
117	300659	9927	2	4964	0	33,477	338.26	0	0.00	0.00
118	300662	765	1	765	3,124	8,825	471.78	3,555	0.74	13.80
119	300663	320	1	362	3,340	7,057	640.03	4,767	4.49	42.72
120	300664	890	1	890	3,320	9,921	465.55	3,835	0.60	15.51
121	310669	5076	1	5076	0	16,772	337.00	0	0.00	0.00
122	310675	4935	4	1234	14,856	49,717	448.39	16,678	0.42	12.26
123	310676	6429	4	1780	12,167	53,825	421.15	12,243	0.14	0.62
124	310678	1381	1	1381	3,696	13,280	441.06	4,119	0.45	11.44
125	310688	1458	1	1458	3,711	13,670	437.22	4,045	0.18	9.00
126	310692	770	1	770	3,018	8,871	471.53	3,568	0.63	18.22
127	310694	704	1	704	2,910	8,256	474.83	3,387	0.72	16.39
128	310703	2477	4	640	13,063	33,612	504.32	15,892	1.08	21.66
129	310725	1157	1	1157	3,689	11,934	452.23	4,151	0.52	12.52
130	310735	1052	1	1120	3,653	10,972	454.08	3,879	0.51	6.19
131	320744	1748	3	583	10,372	26,760	532.14	14,255	2.38	37.44
132	320750	2285	1	2285	1,381	15,533	395.96	1,234	-0.04	-10.64
133	320751	2517	2	1259	7,444	25,161	447.14	8,336	0.41	11.98
134	320756	1124	1	1124	3,655	11,709	453.88	4,133	0.50	13.08
135	320771	553	1	553	2,996	8,972	546.79	5,016	5.05	67.42
136	320777	2843	1	2843	0	14,380	368.13	0	0.00	0.00

Appendix E
 2006 Average Schedule USF Study
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Obs	Study Area Code	Loops	Exch	Loops per Exch	Current Payments	Formula Exp. Adj. Uncapped Payments	Cost per Loop	Monthly Payment (Fund Cap Appl.)	Per Loop Payment Diff.	Payment Percent Difference
137	320778	2182	1	2182	1,865	15,533	401.10	1,785	0.00	-4.29
138	320790	1519	1	1519	3,469	13,953	434.17	3,964	0.56	14.27
139	320792	3004	1	3007	0	13,711	360.23	0	0.00	0.00
140	320796	1078	1	1078	3,710	11,384	456.17	4,098	0.82	10.46
141	320809	1792	3	597	9,935	26,668	525.31	13,848	2.47	39.39
142	320816	467	1	467	3,815	8,802	588.77	5,461	3.70	43.15
143	320826	1109	1	1109	3,648	11,605	454.63	4,123	0.52	13.02
144	320827	1805	1	1805	3,062	14,971	419.91	3,315	0.23	8.26
145	320829	4702	1	4702	0	16,607	341.21	0	0.00	0.00
146	320830	3413	4	853	13,179	38,438	467.39	15,048	0.67	14.18
147	320834	3261	1	3737	0	13,434	352.06	0	0.00	0.00
148	320837	794	1	794	3,155	9,088	470.34	3,627	0.69	14.96
149	320839	1051	1	1051	3,666	11,188	457.52	4,072	0.73	11.07
150	330842	7175	3	2392	2,721	46,381	390.63	1,799	-0.11	-33.88
151	330843	5160	3	1720	9,987	44,165	424.15	10,663	0.19	6.77
152	330846	4655	2	2328	2,563	31,020	393.82	1,972	-0.11	-23.06
153	330847	891	1	891	3,363	9,929	465.50	3,837	0.65	14.09
154	330848	213	2	107	3,227	6,354	764.51	4,830	7.74	49.67
155	330849	1465	1	1465	3,672	13,704	436.87	4,037	0.31	9.94
156	330850	3346	1	3346	0	14,581	356.45	0	0.00	0.00
157	330851	2062	1	2062	2,517	15,451	407.09	2,356	-0.06	-6.40
158	330856	3726	2	1863	5,776	30,230	417.01	6,260	0.22	8.38
159	330863	2293	3	764	9,116	26,460	471.83	10,661	0.67	16.95
160	330865	1675	1	1675	3,437	14,572	426.39	3,665	0.18	6.63
161	330866	1347	2	674	5,851	16,881	487.72	7,422	1.43	26.85
162	330868	2468	3	823	9,773	28,026	468.89	11,081	0.71	13.38
163	330872	1846	1	1846	2,986	15,075	417.86	3,186	0.18	6.70
164	330875	1220	1	1220	3,715	12,344	449.09	4,169	0.47	12.22
165	330879	3462	3	1154	10,954	35,741	452.38	12,448	0.41	13.64
166	330880	6443	4	1611	14,009	57,336	429.58	15,212	0.26	8.59
167	330881	32713	2	16357	0	49,833	304.12	0	0.00	0.00
168	330889	1996	2	998	7,030	21,577	460.16	8,018	0.56	14.05
169	330892	1687	1	1687	3,301	14,613	425.79	3,637	0.31	10.18
170	330896	1707	2	854	6,599	19,219	467.34	7,522	0.67	13.99

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Obs	Study Area Code	Loops	Exch	Loops per Exch	Current Payments	Formula Exp. Adj. Uncapped Payments	Cost per Loop	Monthly Payment (Fund Cap Appl.)	Per Loop Payment Diff.	Payment Percent Difference
171	330899	2076	2	1038	7,126	22,183	458.17	8,115	0.54	13.88
172	330900	3339	2	1670	6,392	29,100	426.64	7,351	0.47	15.00
173	330902	2480	2	1240	7,430	24,938	448.09	8,341	0.41	12.26
174	330905	2585	2	1293	7,452	25,567	445.45	8,324	0.40	11.70
175	330914	6293	5	1259	18,630	62,907	447.14	20,843	0.48	11.88
176	330915	5254	1	5254	0	16,790	335.00	0	0.00	0.00
177	330925	2407	1	2407	1,149	15,447	389.88	506	-0.26	-55.96
178	330930	3836	5	767	15,821	44,230	471.68	17,804	0.77	12.53
179	330938	9198	4	2300	6,164	62,096	395.22	4,593	-0.15	-25.49
180	330943	3697	2	1849	6,189	30,157	417.71	6,351	0.08	2.62
181	330944	9216	2	4608	0	33,078	342.26	0	0.00	0.00
182	330945	2741	2	1371	7,433	26,443	441.56	8,249	0.38	10.98
183	330946	1194	2	597	6,761	17,769	525.31	9,227	2.23	36.47
184	330949	2776	1	2776	0	14,621	371.47	0	0.00	0.00
185	330951	3038	1	3038	0	13,809	359.92	0	0.00	0.00
186	330955	11184	1	11184	0	17,037	304.12	0	0.00	0.00
187	330960	4238	6	706	18,127	49,671	474.73	20,369	0.81	12.37
188	330962	4792	4	1198	14,822	48,814	450.19	16,661	0.47	12.41
189	330966	7604	8	951	27,626	83,314	462.51	31,513	0.60	14.07
190	330967	3951	1	3951	0	15,762	349.65	0	0.00	0.00
191	330968	7925	1	7925	0	12,433	304.96	0	0.00	0.00
192	330970	6520	5	1304	18,631	64,262	444.90	20,802	0.43	11.65
193	340976	4262	13	328	46,750	98,406	656.63	67,916	5.34	45.27
194	340983	1655	2	870	6,599	18,551	466.55	7,221	0.63	9.43
195	340990	530	1	530	3,679	8,971	558.02	5,179	2.96	40.77
196	340993	610	1	610	3,249	8,836	518.96	4,472	2.27	37.64
197	340998	639	1	639	2,888	8,691	504.80	4,119	2.31	42.62
198	341016	7732	2	3866	0	31,246	350.61	0	0.00	0.00
199	341017	1282	1	1282	3,727	12,723	446.00	4,166	0.44	11.78
200	341021	102	1	102	1,522	3,058	766.95	2,329	7.76	53.02
201	341024	2440	7	349	25,872	54,774	646.37	37,319	5.23	44.24
202	341029	1512	2	756	6,113	17,486	472.23	7,063	0.70	15.54
203	341041	85	1	85	1,293	2,593	775.25	1,985	7.96	53.52
204	341046	164	1	164	2,277	4,607	736.69	3,434	7.05	50.81

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205	341050	3616	1	3616	0	15,163	353.42	0	0.00	0.00
206	341053	4151	2	2076	4,865	30,922	406.39	4,585	-0.04	-5.76
207	341054	4506	13	347	47,689	101,427	647.35	69,192	5.16	45.09
208	341062	608	1	608	3,270	8,844	519.94	4,495	2.27	37.46
209	341075	547	1	547	3,609	8,975	549.72	5,062	2.80	40.26
210	341086	547	1	547	3,580	8,975	549.72	5,062	2.93	41.40
211	341087	743	1	743	3,085	8,623	472.88	3,497	0.76	13.35
212	341092	100	1	100	1,509	3,005	767.93	2,289	7.80	51.69
213	351097	373	1	373	3,719	8,100	634.66	5,432	4.65	46.06
214	351098	374	1	374	3,561	8,110	634.17	5,435	3.81	52.63
215	351101	894	1	894	3,307	9,954	465.35	3,843	0.57	16.21
216	351107	336	1	336	3,608	7,676	652.72	5,272	5.17	46.12
217	351108	176	1	176	2,535	4,880	730.83	3,621	7.16	42.84
218	351112	1076	3	359	11,140	23,826	641.49	16,129	5.02	44.78
219	351113	1582	1	1582	3,552	14,221	431.03	3,859	0.26	8.64
220	351114	430	1	430	3,825	8,590	606.83	5,514	4.13	44.16
221	351115	2791	4	749	11,702	32,338	472.58	13,090	0.72	11.86
222	351118	1793	2	897	6,704	19,947	465.20	7,692	0.62	14.74
223	351119	473	1	473	3,805	8,829	585.84	5,445	3.68	43.10
224	351121	149	1	149	2,111	4,254	744.01	3,188	7.23	51.02
225	351125	5790	3	1930	8,974	45,767	413.67	8,680	-0.05	-3.28
226	351126	198	2	99	3,123	5,955	768.42	4,539	7.91	45.34
227	351130	804	1	804	3,208	9,178	469.84	3,651	0.71	13.81
228	351133	797	4	199	10,950	21,539	719.60	15,837	6.85	44.63
229	351136	655	1	655	3,427	8,588	496.99	3,938	0.35	14.91
230	351137	601	2	301	6,989	14,372	669.81	10,072	5.77	44.11
231	351139	1551	4	388	15,074	32,972	627.34	21,876	4.56	45.12
232	351141	790	1	790	3,090	9,052	470.54	3,618	0.64	17.09
233	351146	365	1	365	3,691	8,015	638.56	5,404	4.72	46.41
234	351147	963	1	963	3,488	10,515	461.91	3,960	0.62	13.53
235	351149	278	1	278	3,315	6,843	681.03	4,854	5.87	46.43
236	351150	616	1	616	3,205	8,810	516.03	4,403	2.22	37.38
237	351152	1516	2	758	6,184	17,522	472.13	7,073	0.73	14.38
238	351153	772	1	772	3,082	8,889	471.44	3,573	0.68	15.93

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239	351157	734	2	367	7,333	16,074	637.59	10,823	4.55	47.59
240	351160	1207	2	604	6,677	17,704	521.89	9,070	2.16	35.84
241	351162	1368	2	684	5,825	16,727	482.84	7,176	1.15	23.19
242	351166	812	1	812	3,139	9,249	469.44	3,670	0.62	16.92
243	351168	1820	7	260	21,970	45,798	689.82	32,778	5.91	49.19
244	351169	549	1	549	3,489	8,974	548.74	5,047	-1.81	44.65
245	351171	2007	1	2007	2,626	15,383	409.83	2,591	0.02	-1.33
246	351172	2396	4	599	13,729	35,510	524.33	18,370	1.99	33.80
247	351173	2560	4	640	12,824	34,739	504.32	16,425	1.49	28.08
248	351174	1146	3	382	11,387	24,572	630.26	16,374	5.03	43.80
249	351175	393	1	393	3,819	8,295	624.89	5,483	5.07	43.57
250	351176	715	1	715	2,956	8,360	474.28	3,419	0.73	15.66
251	351177	1670	4	418	15,280	33,973	612.69	22,026	4.33	44.15
252	351179	326	1	326	3,604	7,547	657.60	5,215	5.46	44.70
253	351187	1196	2	598	6,376	17,762	524.82	9,206	2.82	44.39
254	351188	587	1	587	3,535	8,915	530.19	4,715	1.90	33.38
255	351189	953	2	477	7,587	17,671	583.89	10,854	3.71	43.06
256	351191	734	1	734	2,943	8,539	473.33	3,472	0.66	17.97
257	351195	2115	4	529	14,613	35,863	558.50	20,733	3.12	41.88
258	351199	469	1	469	3,807	8,811	587.79	5,456	3.77	43.31
259	351202	740	1	740	2,994	8,595	473.03	3,489	0.69	16.53
260	351203	794	1	794	3,265	9,088	470.34	3,627	0.80	11.09
261	351205	1758	2	879	6,691	19,656	466.10	7,628	0.66	14.00
262	351206	412	2	206	5,527	11,046	716.18	8,099	6.71	46.54
263	351209	1460	3	487	11,465	26,627	579.01	16,183	2.94	41.15
264	351212	3459	1	3459	0	14,836	355.18	0	0.00	0.00
265	351213	337	1	337	3,643	7,688	652.23	5,278	5.31	44.88
266	351217	959	3	320	10,625	22,377	660.53	15,516	5.36	46.03
267	351220	1894	2	947	6,906	20,775	462.71	7,870	0.61	13.96
268	351222	742	1	742	2,915	8,613	472.93	3,494	0.62	19.86
269	351223	304	1	304	3,504	7,242	668.34	5,067	5.72	44.61
270	351225	1931	4	483	15,138	35,453	580.96	21,639	3.60	42.94
271	351228	275	1	275	3,290	6,794	682.50	4,827	5.89	46.72
272	351230	1991	3	664	9,015	25,559	492.60	11,497	1.76	27.53

Appendix E
 2006 Average Schedule USF Study
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Obs	Study Area Code	Loops	Exch	Loops per Exch	Current Payments	Formula Exp. Adj. Uncapped Payments	Cost per Loop	Monthly Payment (Fund Cap Appl.)	Per Loop Payment Diff.	Payment Percent Difference
273	351232	362	1	362	3,117	7,983	640.03	5,393	10.98	73.02
274	351235	611	1	611	3,379	8,832	518.47	4,461	1.82	32.02
275	351237	1535	4	384	15,211	32,819	629.29	21,838	6.40	43.57
276	351238	309	1	309	3,442	7,314	665.90	5,103	5.34	48.26
277	351239	652	2	326	7,120	15,094	657.60	10,430	5.29	46.49
278	351241	798	1	798	3,230	9,124	470.14	3,637	0.75	12.60
279	351242	727	1	727	2,976	8,473	473.68	3,453	0.71	16.03
280	351243	98	1	98	1,469	2,950	768.91	2,249	7.80	53.10
281	351245	429	1	429	3,827	8,583	607.32	5,514	4.42	44.08
282	351246	838	2	419	7,636	17,022	612.20	11,027	4.24	44.41
283	351247	947	4	237	12,033	24,495	701.05	17,720	6.29	47.26
284	351248	2210	2	1105	7,302	23,153	454.82	8,239	0.54	12.83
285	351250	642	1	642	3,188	8,673	503.34	4,081	1.47	28.01
286	351251	2417	3	806	8,797	27,575	469.74	10,964	0.46	24.63
287	351252	5305	1	5305	0	16,789	334.43	0	0.00	0.00
288	351257	881	1	881	3,329	9,845	466.00	3,818	0.63	14.69
289	351259	2433	7	348	25,742	54,691	646.86	37,286	5.18	44.85
290	351260	6280	3	2093	7,027	46,449	405.54	6,648	-0.03	-5.39
291	351261	1322	4	331	14,474	30,403	655.16	20,945	5.36	44.71
292	351262	727	1	727	3,008	8,473	473.68	3,453	0.74	14.79
293	351263	1862	1	1862	3,462	15,113	417.06	3,133	-0.36	-9.50
294	351264	740	2	370	7,471	16,138	636.12	10,844	4.89	45.15
295	351265	229	1	229	2,891	5,979	704.95	4,341	6.28	50.16
296	351266	254	1	254	3,264	6,438	692.75	4,621	6.45	41.57
297	351269	526	1	526	3,817	8,967	559.97	5,204	0.95	36.34
298	351270	285	1	285	3,351	6,954	677.62	4,915	5.77	46.67
299	351271	1993	1	1993	2,482	15,362	410.53	2,648	0.15	6.69
300	351273	811	1	811	3,191	9,240	469.49	3,668	0.68	14.95
301	351274	1801	1	1801	3,229	14,960	420.11	3,328	0.08	3.07
302	351275	216	1	216	2,823	5,725	711.30	4,180	6.52	48.07
303	351276	1313	2	657	6,733	17,136	496.02	7,825	0.51	16.22
304	351277	504	1	504	3,756	8,930	570.71	5,325	3.24	41.77
305	351278	1174	1	1174	3,536	12,047	451.38	4,158	0.12	17.59
306	351280	390	1	390	3,771	8,267	626.36	5,477	4.52	45.24

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Obs	Study Area Code	Loops	Exch	Loops per Exch	Current Payments	Formula Exp. Adj. Uncapped Payments	Cost per Loop	Monthly Payment (Fund Cap Appl.)	Per Loop Payment Diff.	Payment Percent Difference
307	351282	1275	4	319	14,197	29,789	661.02	20,668	5.45	45.58
308	351283	477	1	477	3,828	8,845	583.89	5,433	2.94	41.93
309	351284	770	1	770	3,222	8,871	471.53	3,568	0.82	10.74
310	351285	1067	2	534	7,280	17,930	556.06	10,297	3.04	41.44
311	351291	1780	4	445	15,299	34,744	599.51	22,011	3.77	43.87
312	351292	362	1	362	2,465	7,983	640.03	5,393	1.35	118.78
313	351293	1190	2	595	6,724	17,782	526.28	9,269	2.35	37.85
314	351294	545	1	545	3,705	8,975	550.69	5,076	2.35	37.00
315	351297	2407	7	344	25,490	54,400	648.82	37,181	5.10	45.87
316	351298	12874	5	2575	3,775	75,875	381.50	0	-0.30	-100.00
317	351301	766	3	255	10,072	19,392	692.26	13,913	6.70	38.14
318	351302	1254	1	1254	3,726	12,555	447.39	4,170	0.47	11.92
319	351303	627	2	314	7,094	14,745	663.46	10,259	5.58	44.62
320	351304	985	1	985	3,509	10,688	460.81	3,992	0.59	13.76
321	351305	767	1	767	2,938	8,844	471.68	3,560	0.40	21.17
322	351306	2896	2	1448	7,322	27,243	437.72	8,113	0.38	10.80
323	351307	184	1	184	2,574	5,057	726.92	3,741	6.99	45.34
324	351308	387	1	387	3,762	8,239	627.82	5,470	4.54	45.40
325	351309	491	1	491	3,809	8,895	577.05	5,382	3.08	41.30
326	351310	562	1	562	3,544	8,964	542.39	4,943	2.62	39.48
327	351319	2992	6	499	22,416	53,472	573.15	32,068	3.53	43.06
328	351320	604	1	604	3,265	8,860	521.89	4,539	2.41	39.02
329	351322	466	1	516	3,357	8,087	564.85	4,753	3.16	41.58
330	351324	1192	2	596	6,848	17,775	525.80	9,248	2.09	35.05
331	351326	757	1	757	3,135	8,752	472.18	3,534	0.77	12.73
332	351328	4836	16	302	55,440	115,495	669.32	80,899	5.63	45.92
333	351329	1353	1	1353	3,699	13,129	442.45	4,138	0.52	11.87
334	351331	5065	6	844	19,800	57,185	467.84	22,455	0.70	13.41
335	351332	3955	2	1978	5,855	30,670	411.28	5,416	-0.13	-7.50
336	351334	3811	8	476	29,493	70,784	584.38	43,520	4.55	47.56
337	351335	355	1	355	3,688	7,904	643.45	5,365	5.01	45.47
338	351336	1914	1	1914	2,866	15,225	414.47	2,952	0.10	3.00
339	351337	6620	16	414	61,200	135,479	614.64	88,121	4.52	43.99
340	351342	232	1	232	2,973	6,036	703.49	4,377	6.37	47.23

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Obs	Study Area Code	Loops	Exch	Loops per Exch	Current Payments	Formula Exp. Adj. Uncapped Payments	Cost per Loop	Monthly Payment (Fund Cap Appl.)	Per Loop Payment Diff.	Payment Percent Difference
341	351343	647	1	647	3,060	8,641	500.90	4,027	1.68	31.60
342	351344	1039	3	346	10,973	23,419	647.84	15,986	5.13	45.68
343	351405	2274	7	325	24,131	52,713	658.09	36,445	4.85	51.03
344	351424	996	3	332	10,800	22,875	654.67	15,750	5.28	45.83
345	361337	802	4	201	10,801	21,625	718.62	15,888	6.73	47.10
346	361347	3616	3	1205	11,107	36,756	449.84	12,504	0.43	12.58
347	361348	76	1	76	1,139	2,339	779.64	1,795	8.02	57.59
348	361353	1333	1	1333	3,726	13,018	443.45	4,148	0.40	11.33
349	361356	4904	5	981	17,385	53,273	461.01	19,926	0.55	14.62
350	361358	8893	7	1270	24,957	88,593	446.59	29,190	-0.09	16.96
351	361362	8809	2	4405	0	32,706	344.55	0	0.00	0.00
352	361365	284	1	284	3,375	6,939	678.11	4,907	5.88	45.39
353	361372	207	1	207	2,814	5,544	715.69	4,063	6.78	44.39
354	361373	10128	10	1013	35,267	109,011	459.41	40,276	0.54	14.20
355	361375	9258	11	842	35,982	104,582	467.94	41,094	0.67	14.21
356	361380	309	1	309	3,479	7,314	665.90	5,103	5.47	46.68
357	361381	242	1	242	3,029	6,223	698.61	4,491	6.20	48.27
358	361384	279	1	279	3,327	6,859	680.55	4,863	5.88	46.17
359	361389	1118	4	280	13,345	27,451	680.06	19,453	5.87	45.77
360	361390	2227	7	318	24,055	52,099	661.51	36,167	5.03	50.35
361	361396	3370	4	843	12,963	38,058	467.89	14,949	0.64	15.32
362	361401	1563	10	156	22,156	44,291	740.59	33,109	7.20	49.44
363	361403	828	1	828	3,085	9,390	468.64	3,707	0.53	20.16
364	361404	1011	2	506	7,500	17,852	569.73	10,620	3.20	41.60
365	361405	621	3	207	8,093	16,631	715.69	12,188	6.53	50.60
366	361408	2009	3	670	9,041	25,423	489.67	11,282	1.19	24.79
367	361409	12282	1	12282	0	18,710	304.12	0	0.00	0.00
368	361412	4636	3	1545	10,812	42,210	432.88	11,772	0.26	8.88
369	361413	2027	4	507	14,936	35,731	569.24	21,231	3.30	42.15
370	361419	337	1	337	3,574	7,688	652.23	5,278	4.99	47.68
371	361422	1928	1	1928	3,082	15,252	413.77	2,901	-0.12	-5.87
372	361423	925	1	925	3,363	10,210	463.80	3,898	0.55	15.91
373	361424	792	2	396	7,544	16,643	623.43	10,978	4.40	45.52
374	361425	1646	1	1646	3,463	14,468	427.84	3,731	0.22	7.74

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Obs	Study Area Code	Loops	Exch	Loops per Exch	Current Payments	Formula Exp. Adj. Uncapped Payments	Cost per Loop	Monthly Payment (Fund Cap Appl.)	Per Loop Payment Diff.	Payment Percent Difference
375	361426	603	2	302	6,958	14,401	669.32	10,087	5.70	44.97
376	361427	32096	1	32096	0	48,893	304.12	0	0.00	0.00
377	361430	10874	8	1359	29,777	105,311	442.15	33,077	0.37	11.08
378	361431	2849	4	712	11,801	33,338	474.43	13,647	0.73	15.64
379	361439	964	3	321	10,625	22,464	660.04	15,568	5.33	46.52
380	361440	2063	4	516	14,831	35,799	564.85	21,041	3.22	41.87
381	361443	12618	9	1402	33,353	120,509	440.01	36,916	0.35	10.68
382	361448	1935	1	1935	2,910	15,265	413.42	2,875	0.00	-1.20
383	361450	4629	6	772	17,864	53,301	471.44	21,422	0.59	19.92
384	361472	7648	10	765	30,701	88,231	471.78	35,538	0.69	15.76
385	361474	580	1	580	3,508	8,932	533.61	4,783	2.24	36.35
386	361475	4663	9	518	33,382	80,633	563.87	47,275	3.14	41.62
387	361476	490	1	490	3,773	8,892	577.54	5,386	3.52	42.75
388	361479	19243	3	6414	0	47,900	321.95	0	0.00	0.00
389	361485	1320	2	660	6,196	17,107	494.55	7,762	1.24	25.27
390	361487	1824	1	1824	3,488	15,021	418.96	3,257	-0.29	-6.62
391	361494	1157	1	1157	3,668	11,934	452.23	4,151	0.45	13.17
392	361495	809	2	405	7,592	16,778	619.04	10,991	4.33	44.77
393	361499	2546	1	2546	242	15,235	382.95	0	-0.09	-100.00
394	361500	44	1	44	618	1,397	795.27	1,082	8.34	75.08
395	361502	2431	2	1216	7,401	24,627	449.29	8,334	0.41	12.61
396	361505	6419	18	357	66,129	142,529	642.47	96,609	4.85	46.09
397	361507	1666	1	1666	3,340	14,540	426.84	3,686	0.32	10.36
398	361508	1139	1	1139	3,672	11,812	453.13	4,142	0.51	12.80
399	361510	1365	5	273	16,245	33,807	683.48	24,042	5.82	48.00
400	361512	178	1	178	2,465	4,924	729.85	3,651	6.97	48.11
401	361515	2237	1	2237	1,904	15,541	398.36	1,498	-0.17	-21.32
402	361654	1672	3	557	10,808	26,923	544.83	14,962	2.53	38.43
403	371530	1613	5	323	17,792	37,489	659.07	25,950	5.34	45.85
404	371532	2984	15	199	39,980	80,642	719.60	59,295	6.72	48.31
405	371555	6055	9	673	26,389	76,068	488.21	33,522	1.31	27.03
406	371562	1251	3	417	11,467	25,487	613.18	16,538	4.53	44.22
407	371563	1164	2	582	6,831	17,855	532.63	9,528	2.55	39.48
408	371565	686	2	343	7,076	15,525	649.30	10,618	4.66	50.06

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Obs	Study Area Code	Loops	Exch	Loops per Exch	Current Payments	Formula Exp. Adj. Uncapped Payments	Cost per Loop	Monthly Payment (Fund Cap Appl.)	Per Loop Payment Diff.	Payment Percent Difference
409	371581	1805	2	903	6,893	20,047	464.90	7,714	0.72	11.91
410	371590	96	1	96	1,469	2,896	769.88	2,209	7.87	50.37
411	381509	320	2	160	4,584	9,029	738.64	6,740	7.22	47.03
412	381601	49	1	49	771	1,548	792.83	1,198	8.38	55.38
413	381614	1477	5	295	17,147	35,590	672.74	25,024	5.73	45.94
414	381615	2029	4	507	14,995	35,767	569.24	21,251	3.21	41.72
415	381622	978	2	489	7,579	17,777	578.03	10,781	3.34	42.25
416	381625	5295	15	353	54,895	118,218	644.42	80,338	4.92	46.35
417	381631	3872	10	387	38,137	82,431	627.82	54,731	5.12	43.51
418	381638	1061	3	354	11,054	23,656	643.93	16,066	5.04	45.34
419	383303	38847	25	1554	89,014	352,603	432.43	97,699	0.32	9.76
420	391640	1623	3	541	10,893	26,926	552.65	15,315	2.89	40.59
421	391642	3180	5	636	16,995	43,540	506.27	20,791	0.99	22.34
422	391649	1479	1	1479	3,688	13,770	436.17	4,019	0.22	8.98
423	391650	12709	1	12709	0	19,360	304.12	0	0.00	0.00
424	391653	381	1	381	3,743	8,181	630.75	5,455	4.57	45.74
425	391654	14241	26	548	93,809	233,221	549.23	131,343	2.77	40.01
426	391657	7776	5	1555	18,523	70,556	432.38	19,535	-0.06	5.46
427	391660	6397	8	800	25,158	73,101	470.04	29,120	0.66	15.75
428	391664	3955	14	283	46,275	96,747	678.59	68,454	5.70	47.93
429	391669	2149	6	358	21,987	47,651	641.98	32,278	4.77	46.80
430	391671	2523	1	2523	1,272	15,279	384.09	0	-0.53	-100.00
431	391674	1996	8	250	24,740	50,836	694.70	36,557	6.10	47.76
432	391677	5366	5	1073	24,116	56,752	456.42	20,469	-0.19	-15.12
433	391682	417	2	209	5,251	11,142	714.72	8,159	6.34	55.38
434	391684	1764	2	882	6,640	19,707	465.95	7,639	0.62	15.05
435	391688	1123	3	374	11,314	24,353	634.17	16,319	5.05	44.24
436	401710	1039	2	520	7,378	17,903	562.90	10,470	3.21	41.91
437	401712	7418	8	927	27,204	81,831	463.70	31,223	0.60	14.77
438	401722	4396	8	550	28,859	71,724	548.25	40,276	2.71	39.56
439	421206	1136	4	284	13,465	27,754	678.11	19,628	5.84	45.77
440	421759	2591	6	432	22,975	51,602	605.86	33,067	4.24	43.93
441	421860	359	1	359	3,713	7,949	641.49	5,381	5.03	44.92
442	421876	198	1	198	2,565	5,357	720.09	3,941	6.55	53.65

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Obs	Study Area Code	Loops	Exch	Loops per Exch	Current Payments	Formula Exp. Adj. Uncapped Payments	Cost per Loop	Monthly Payment (Fund Cap Appl.)	Per Loop Payment Diff.	Payment Percent Difference
443	421893	610	1	610	3,307	8,836	518.96	4,472	2.09	35.23
444	421900	1500	4	375	15,092	32,483	633.68	21,752	4.98	44.13
445	421932	1495	1	1495	3,681	13,845	435.37	3,998	0.20	8.61
446	421936	549	1	549	3,692	8,974	548.74	5,047	2.30	36.70
447	421942	1851	3	617	9,335	26,417	515.54	13,175	2.45	41.14
448	431704	1370	1	1370	3,707	13,221	441.61	4,127	0.44	11.33
449	431968	1868	1	1868	3,103	15,127	416.77	3,113	0.02	0.32
450	432141	723	3	241	9,109	18,613	699.10	13,440	6.25	47.55
451	442038	1405	1	1405	3,695	13,405	439.86	4,099	0.39	10.93
452	442043	861	2	431	7,655	17,174	606.34	11,015	4.25	43.89
453	442107	7936	1	7936	0	12,397	304.84	0	0.00	0.00
454	462198	967	1	967	3,426	10,547	461.71	3,966	0.52	15.76
455	462206	77	1	77	1,209	2,368	779.16	1,817	8.09	50.29
456	462210	66	1	66	1,024	2,051	784.53	1,579	8.18	54.20
457	472227	1624	5	325	17,870	37,645	658.09	26,028	5.36	45.65
458	482252	3672	2	1836	5,369	30,101	418.36	6,437	0.44	19.89
459	502279	1657	1	1657	3,658	14,508	427.29	3,706	-0.17	1.31
460	502282	1569	1	1569	3,640	14,168	431.68	3,882	0.11	6.65
461	502283	1641	3	547	10,845	26,924	549.72	15,185	2.76	40.02
462	522430	4431	3	1477	11,062	41,283	436.27	12,066	0.23	9.08
463	532386	2020	1	2020	2,860	15,400	409.18	2,537	-0.19	-11.29
464	532396	635	1	635	3,291	8,714	506.76	4,171	1.38	26.74
465	532399	7701	1	7701	0	13,133	307.48	0	0.00	0.00
466	613005	44	1	44	817	1,397	795.27	1,082	8.58	32.44
467	613026	167	1	167	2,698	4,676	735.22	3,482	7.76	29.06
Total:					3,772,195	13,881,227		4,803,597		